



SMALL STEPS
TOWARDS LARGE
HORIZONS



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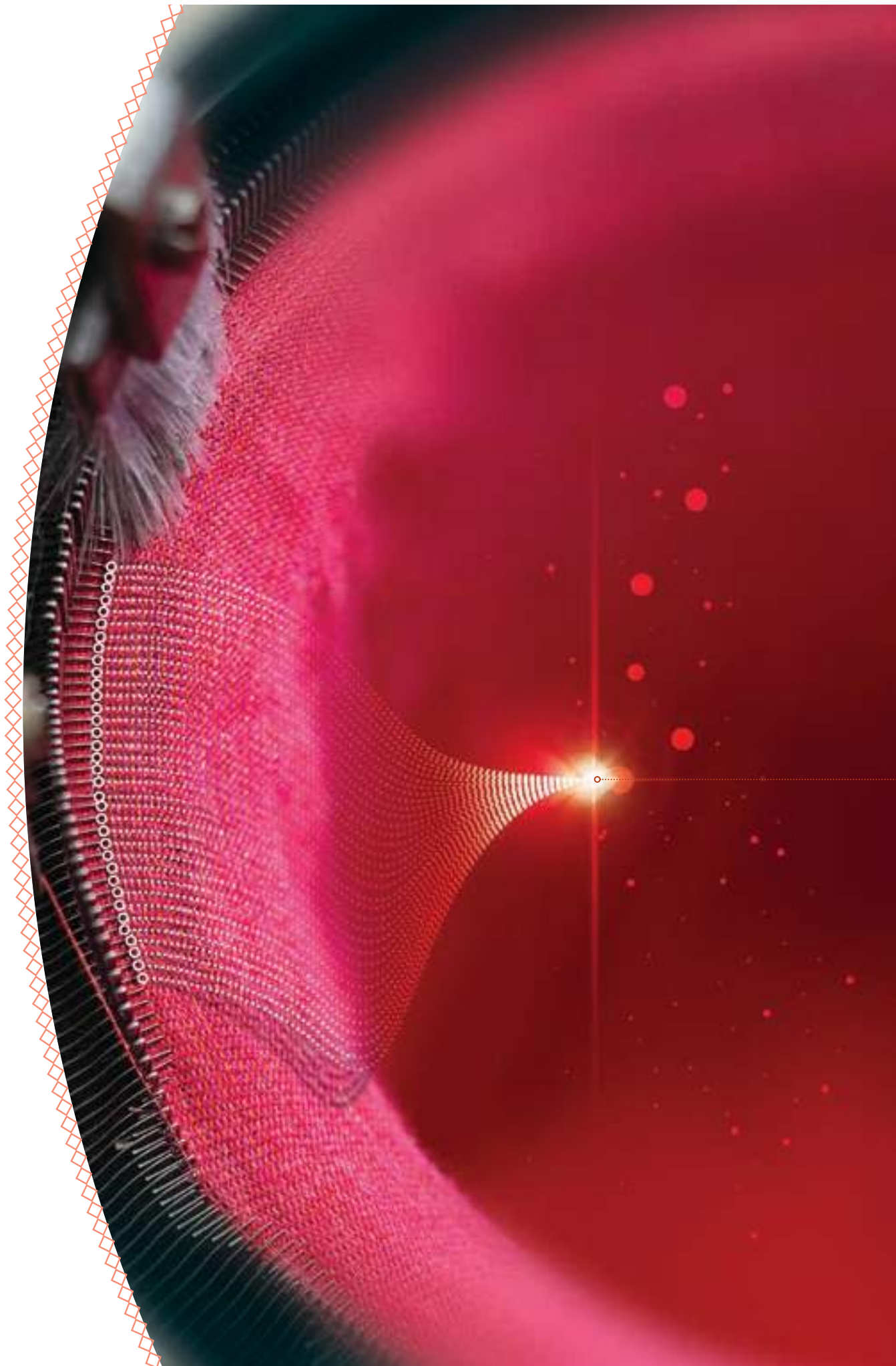


Late **SHRI SATISH BAGRODIA**

PAST CMD & ADVISOR

14TH OCTOBER, 1938 - 5TH MARCH, 2019

YOUR VISION CONTINUES TO ENLIGHTEN OUR PATH. YOUR ZEAL DRIVES OUR PASSION AND
YOUR VALUES MOTIVATE US TO CARRY FORWARD
YOUR GREAT LEGACY



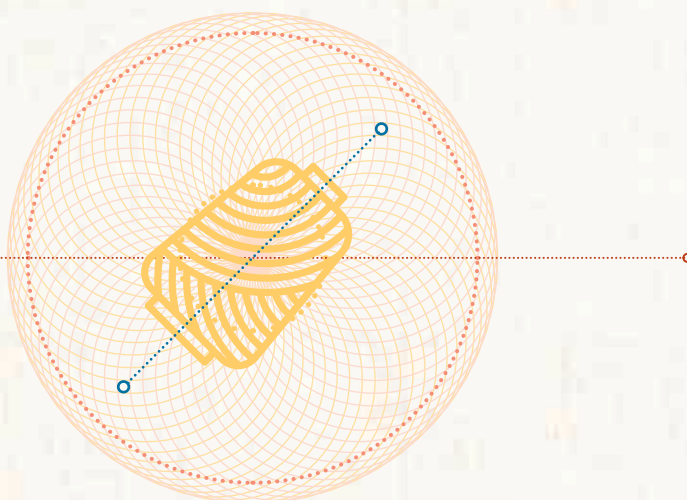
FY23 WAS REplete WITH **CHALLENGES**.

OUR TEXTILE WORLD WAS WADING THROUGH
UNCHARTED WATERS.

EVERY TEXTILE COMPANY WAS **CHALLENGED BY
THE GLOBAL HEADWINDS WITHOUT EXCEPTION.**

FY24 IS EXPECTED TO BE MARGINALLY BETTER AS
THE WORLD BUCKLES UP TO MOVE BEYOND THE
TUMULTUOUS HEADWINDS.

THESE ARE TRYING TIMES..



**BUT WINDS OF CHANGE ARE GATHERING
MOMENTUM HERALDING EXCITING
AND ENCOURAGING PROSPECTS IN THE
FORESEEABLE FUTURE.**



The Government is deliberating on a strategic roadmap to elevate the Indian textile industry to reach a milestone of

US\$ 250^{bn}

in production (from US\$75 billion in FY21) and

US\$ 100^{bn}

in exports by 2030 (from the US\$44 billion in FY22).

...and is making a holistic effort to uplift the sector to the global center stage.



On the one hand, the Government is proactively creating market opportunities for the textile sector; on the other, it is alluring capacity and capability augmentation by announcing attractive investment-friendly schemes.

THE GOVERNMENT IS FACILITATING GLOBAL OPPORTUNITIES

INDIA has signed 13 free trade agreements (FTAs), including the recently concluded CEPA (Comprehensive Economic Partnership Agreement) with the UAE and the ECTA (Economic Cooperation and Trade Agreement) with Australia, and six preferential trade agreements (PTAs) with various trading partners. Moreover, discussions with other important partners, for instance, the UK, the European Union, and Canada are underway to secure duty-free access to their markets.

1

THE AUSTRALIAN OPPORTUNITY

Textile and apparel exports from India to Australia were estimated at US\$392 million in FY21. India's 70% of textile products and 90% of apparel products faced duty (about 5%) on export to Australia. With the elimination of duty under the FTA, India's exports of textiles and apparel are expected to grow from US\$392 million to US\$1,100 million in the next 3 years.

2

THE UAE OPPORTUNITY

This was India's first Comprehensive Economic Partnership Agreement in a decade and holds special significance for the domestic textile and apparel industry for two reasons:

- Apparel exports to the UAE also cater to the apparel needs of Saudi Arabia, Kuwait, Bahrain and Oman. It is a large retail market with players across the value chain including big western fashion chains and wholesale buyers from North Africa and the Middle East
- India presently commands a 43% share in UAE's apparel imports which makes UAE one of the major buying destinations for the Indian apparel export industry. The signing of the UAE-India CEPA agreement gives duty-free access to Indian garment exports, which is expected to enhance India's share over the coming years

The benefits of this agreement for the textile sector would be an additional increase in exports projected at US\$2 billion over the next five years.

AND INCENTIVISING CAPACITIES & CAPABILITIES

THE textile sector is one of the largest industries in India. Cognizant of its criticality on employment generation, exports, and economic progress, the Government has announced numerous schemes to ensure that the sector is on a path of further flourish.

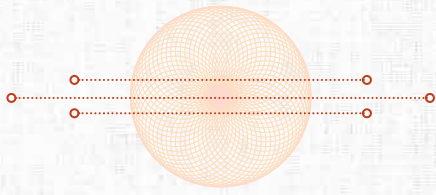
1

The Government is planning to establish seven mega textile parks under PM Mega Integrated Textile Regions and Apparel (PM MITRA) scheme. It has announced the parks will be set up in Tamil Nadu, Telangana, Karnataka, Maharashtra, Gujarat, Madhya Pradesh, and Uttar Pradesh.

2

The Government is finalising the second edition of the production-linked incentive (PLI 2.0) scheme for textiles which is likely to have an outlay of ₹4,307 crore and will cover the manufacture of garments, made-ups, and textiles accessories of all materials, natural or man-made.

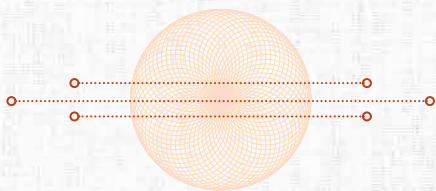
Yarn is the key input for every textile product and is likely to experience better days ahead.



At Winsome Textile, we realise that we are at the cusp of a multi-year uptrend that will unveil enormous opportunities over the next 3-5 years.

WE ARE PROACTIVELY PREPARING FOR IT.

Having invested ₹18 crore in FY22, we are investing another ₹52 crore in FY24 for increasing our capacities, imbibe new technology, and widen our capabilities.



WHEN THE TIDE REVERSES,
WE WILL BE..



**...POISED TO CAPITALISE ON THE
UPTICK AND DELIVER LONG-TERM
VALUE TO OUR STAKEHOLDERS.**





ASHISH BAGRODIA

CHAIRMAN & MANAGING DIRECTOR

PREPARING FOR
THE BETTER TIMES
TO UNFOLD, WE
HAVE INITIATED A
MODERNISATION PLAN.



THIS INVESTMENT
WILL POSITION US
PERFECTLY TO RIDE
THE UPSURGE IN
THE TEXTILE SPACE.

DEAR
SHAREHOLDERS,

THE FINANCIAL YEAR
2022-23 HAS BEEN A
PERIOD OF IMMENSE
CHALLENGES. OUR
PERFORMANCE
MAPPED THE
EVOLVING GLOBAL
AND INDIAN
ECONOMIC
LANDSCAPES.

ON the global stage, the world was bracing itself for a positive start following the colossal adversities caused by the pandemic. Just when things started picking up, the Russia-Ukraine conflict unleashed a wave of global uncertainties resulting in disruptions in the supply chain, surging commodity prices, heightened inflationary pressures, and escalating interest rates. The short-lived optimism soon transformed into yet another anxiety as the world made frantic attempts to mitigate the impact of these adversities.

India being closely intertwined with the world faced the heat too. Global challenges weighed on India's prospects. But India stood out as a beacon of hope in an otherwise dismal ecosystem, progressing at a healthy pace.

Considering the headwinds that swept through the economic universe, we registered a healthy performance.

Our performance

It was a rollercoaster for the global textile industry. The previous year (FY22) was excellent on all counts. But the euphoria steadily dropped through the first half of FY23, leading to a catastrophic second half as order flow from the global textile players came to a grinding halt. The world textile value chain de-stocked aggressively as consumers diverted their spending from purchasing goods to investing in experiences (travel and entertainment).

In these trying times we still managed to have our successes. We kept our machines humming and our excitement growing when many others were forced to shut operations as a loss mitigation measure. Our revenue drop was only marginal as we leveraged our strong customer bonds, operational flexibility, and product diversity to serve customers as per their requirements. We could achieve that because we put relations above returns. We believe that this culture will only cement lasting bonds with our customers.

Profitability dropped considerably. This was primarily owing to extraordinary volatility in cotton prices. The industry woes increased owing to a surge in energy prices and elevated inflation. Like others, our profitability was hit hard. It was very satisfying that despite these hurdles our profits retained their black colour.

I must thank my team whose unflinching efforts have made it possible to endure and pass through these tough times that tested the resilience of the organisation the most.

Staying true to our responsibility ethos, we upgraded our ETP facility with new technology and superior capabilities. This investment, I am confident, will go a long way in integrating ourselves with the circular economy and lessening our burden on the Earth.

Our tomorrow

The world seems to have come to terms with the challenges that thwarted its progress in the previous year. Inflation has been tackled to a large extent and is now stable albeit at higher levels. Cotton prices are more stable. Purchasing has commenced. But our start to FY24 has not been promising. Our performance in the first quarter was muted. We expect yarn demand to improve from the second/third quarter of the current FY since interest rates worldwide is not expected to start coming down before the first quarter on next CY and garment sales is expected to pick up only from the second quarter of next CY but yarn is required much earlier for garments to be available on the shelves and hence the expectation that yarn demand should improve soon.

My estimate is that we will see some volumes in the second half of the year which should gain momentum in the subsequent year.

Over the medium term, the textile sector's horizon appears considerably encouraging. And there are a couple of facts that reflect this optimism.



One, India is gaining global acceptance as a reliable supplier of quality products especially after we continued to cater to global requirements even during the pandemic.

Two, the Government is leaving no stone unturned to enhance the competitive edge of the Indian textile industry. The recent FTAs endorsements and continuing effort to finalise other FTAs with large textile-consuming nations are a showcase of the Government's intent.

To prepare for the better times to unfold, we have initiated a modernisation plan for replacing legacy spindles and improving our dye house capabilities. This investment will position us perfectly to ride the upsurge in the textile space when that transpires.

We are optimistic that we will rally our way through FY24 and set a strong footing over the coming years.

IN CLOSING, I WOULD LIKE TO THANK OUR ESTEEMED STAKEHOLDERS FOR HAVING FAITH IN US AND REPOSING THEIR CONFIDENCE IN OUR CAPABILITIES. WE STAY STRONG IN OUR COMMITMENT TO DELIVER BETTER AND BUILD A STRONGER ORGANISATION.

Warm regards...

ASHISH BAGRODIA
CHAIRMAN & MANAGING DIRECTOR



OUR VISION & MISSION ○ **OUR VALUES**

Global player in innovative and value-added textile.

To provide customer satisfaction and value-addition through teamwork, honesty and integrity for continuous growth and development.



**WE INNOVATE. WE CUSTOMISE.
WE DELIVER WITH SPEED.**

WE ARE VISIBLE ACROSS THE GLOBE.

**WE ARE
WINSOME TEXTILE.**

TRUE TO OUR NAME, we manufacture attractive and appealing, high-value mélange yarn for large Indian and international customers who use our products to cater to global garment brands.

We are one of India's largest manufacturers of mélange yarn, a high-value product that requires significant expertise. We offer one of the finest quality 100% cotton mélange yarn and cotton blended melange and speciality yarns (carded and combed) that are used in downstream weaving and knitting applications.

Moving up the value chain, we have a small presence in knitted fabrics which are marketed to discerning brands in India and International labels across the globe.

Our team of professionals, balanced between experience and energy, run the day-to-day business operations.



WHERE YOU WILL FIND US



CORPORATE OFFICE:	Chandigarh
MANUFACTURING FACILITIES:	<ol style="list-style-type: none"> 1) 1, Industrial Area, Baddi, Distt. : Solan, Himachal Pradesh 2) Village – Kaundi, Baddi, Distt. : Solan, Himachal Pradesh 3) M/s Winsome Textile industries limited, Small Hydro Electric Project (Manuni SHEP- Kangra), VPO Khanyara Dharamshala, Distt. Kangra, Himachal Pradesh
STOCK EXCHANGE:	THE BSE LIMITED

OUR NUMBERS FOR FY23

876.03

Revenue (₹ crore)

93.05

EBITDA (₹ crore)

24.52

Profit After Tax (₹ crore)

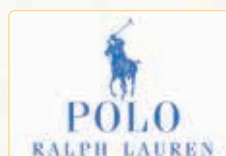
256.23

Networth (₹ crore)

423.52

Capital Employed (₹ crore)

OUR VALUED CLIENTS



OUR INFRASTRUCTURE



SPINNING

110,000

SPINDLES

Ring Spinning is our flagship vertical and a critical driver of business growth. Our spindles can produce yarn counts ranging from NE 10's to NE 60's of different qualities as Mélange, Dyed, and Fancy Yarns in Cotton and Cotton blends.

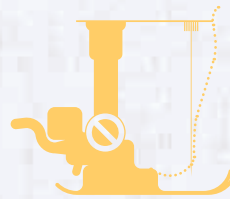


DYEING

30^{MT}

PER DAY

Yarn/Fibre Dyeing machines range from 4 Kgs to 1,200 Kgs per dye lot. The facility comprises a world-class dyeing laboratory and sample dyeing equipment. It also has a Sample Dyeing facility and a product development team dedicated to innovations.



KNITTING

8^{MT}

PER DAY

Our knitting machines with the latest technology for the production of fabric on different gauge machines range from 14gg to 28gg and 26 inches to 34 inches diameter including Autostripers.



HYDRO POWER

3.5^{MW}

We have a run-of-the-river Hydro Power Plant at VillLunta P.O. Khanyara near Dharamshala (H.P.). This hydropower plant is generating & supplying approx 20% of our textile units power requirement.

OUR GLOBAL PRESENCE

Innovation comes naturally to Winsome as our dedicated product development team continues to rejuvenate our product basket with customer-relevant products. Our creative expertise and passion for quality have allowed us to imprint an indelible mark in the global yarn space with more than 250+ customers across 50+ nations across the globe accepting our products on a regular basis. Among our customers are marquee global brands that account for a sizeable share of our business volumes.



399.64

Exports (₹ crore)

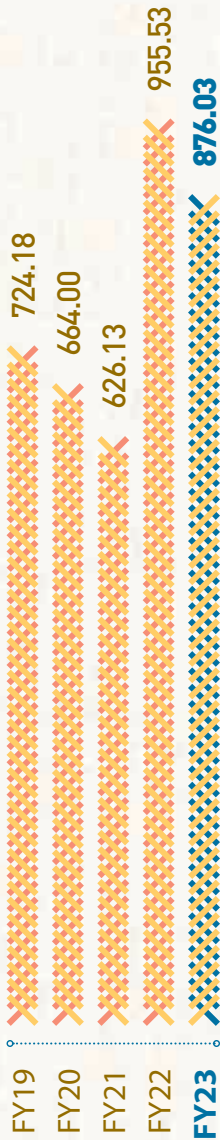
45.62%

Proportion of revenue
contributed by
exports

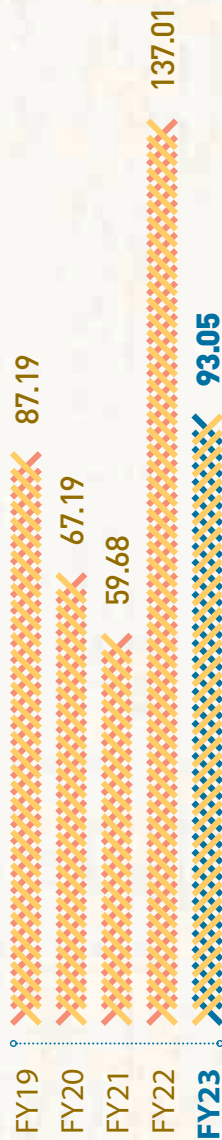


KEY PERFORMANCE INDICATORS

Revenue from Operations
(₹ crore)



EBITDA
(₹ crore)



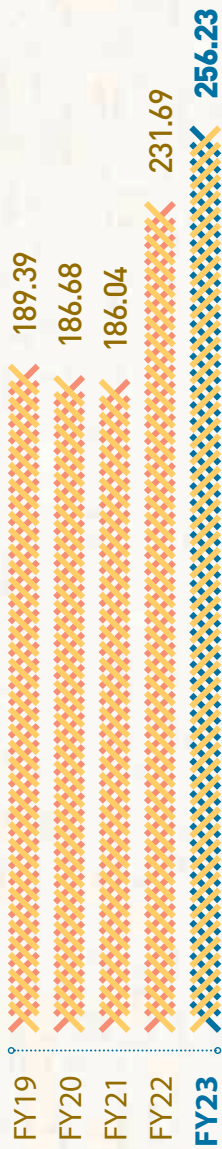
Net Profit
(₹ crore)



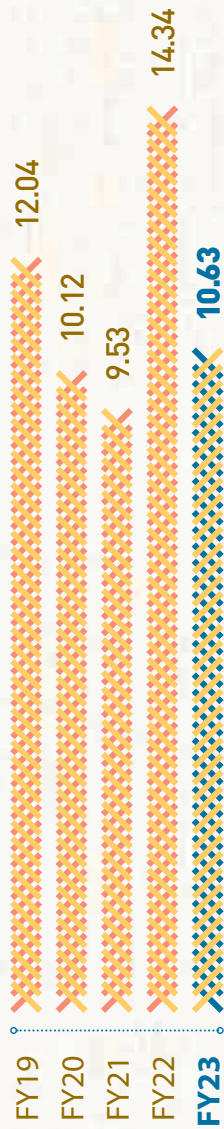
Net Cash Flow from Operations
(₹ crore)



Networth
(₹ crore)



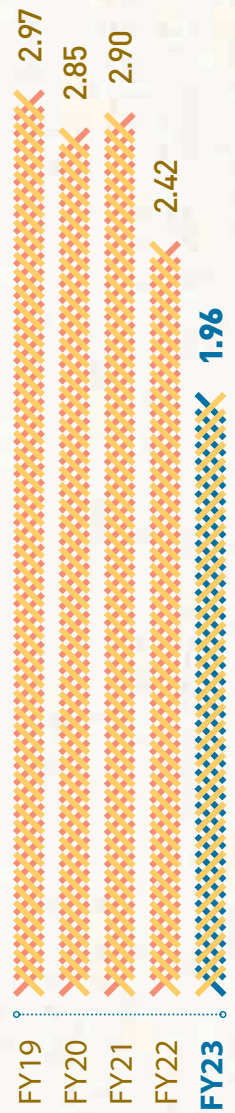
EBITDA margin
(%)



Return on Capital Employed
(%)



Net Debt-Equity
(X)







THE YARN VERTICAL



THE YARN VERTICAL

WINSOME TEXTILE IS A SPECIALIST IN MANUFACTURING COTTON AND COTTON BLENDED MÉLANGE YARN, SPECIALITY MÉLANGE, AND DYED YARN, AMONG OTHER PRODUCTS.

THE Company is a one-stop shop for all kinds of fiber-dyed yarns manufactured from natural or man-made fibers across all blends and shades in the count range of 8's-60's.

It is one of the very few spinners in India that can boast of a product basket that comprises more than 1,000 varieties. Its product diversity has earned it the repute summed up in the phrase:

"Koi bhi yarn chahiye, Winsome ke paas jao. Mil jayega!"

The Company's diversity, superior product quality, and ability to customise yarns for diverse applications positions it as a preferred supplier to large and reputed weavers and knitters across geographies within and outside India.

Within melange yarn, the Company focuses on developing and delivering value-added and innovative blends which increase business profitability.

To sustain its respect and reputation in an otherwise cluttered space, the company continues to modernise its operating assets with contemporary equipment with cutting-edge technology that enhances its operating efficiency and cost competitiveness. The Company invested ₹18 crore in FY22 for installing the most sophisticated twisting machines, carding machines, winding machines, and ring frames.

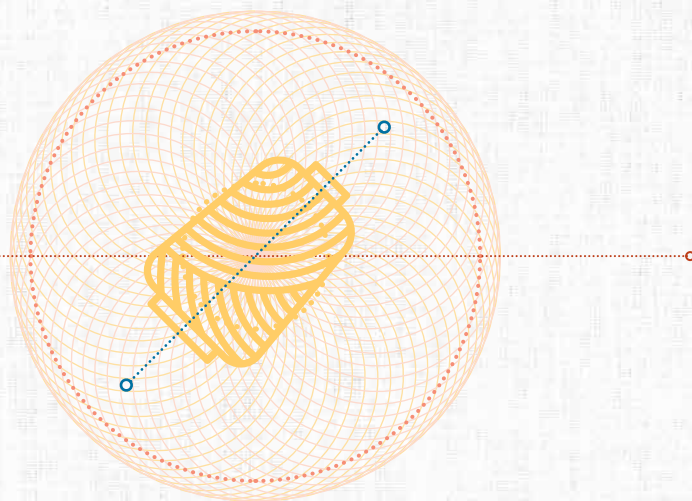
Performance in FY23

While FY22 was an excellent year where the Company smashed all records, FY23 was significantly dismal due to multiple external factors.

One, in the meteoric rise of FY22, all the players in the textile value chain have overstocked inventory believing that the euphoria would continue.

Two, the Russia-Ukraine dealt a body blow to the economic progress of Western nations, more specifically the US and Europe which are large textile-consuming markets. Spiralling inflation pushed textile purchase to the back burner.

Three, extreme volatility in cotton prices squeezed the margins of yarn producers. While most spinners throttled manufacturing operations to minimise losses, some were forced to shut their facilities.



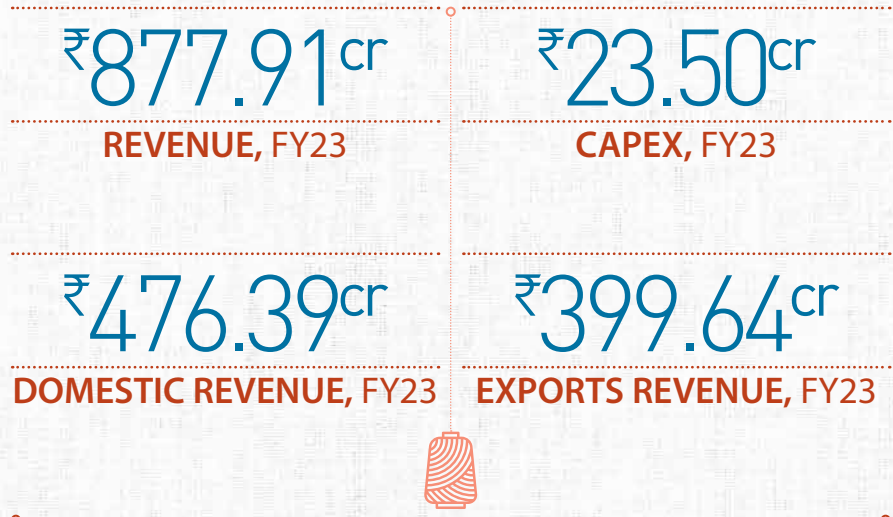
In these difficult times, Winsome continued its manufacturing operations. This was owing to important factors:

- 1) The flexibility to shift from specialised to standard products with ease.
- 2) A judicious mix of international and domestic customers, and 3) the 'sell-then-make' principle which helped us to market our products.

Plan for FY24

Winsome understands that FY23's unimpressive performance is not a lasting trend but a blip in the overall positive ecosystem. Being a proactive organisation, the Company has drawn up a massive investment plan estimated at ₹52 crore. The funds will be used in modernising yarn spinning equipment and increasing dyeing & warehousing capacity, and adding more residential space in its peoples' colony.

FY23, a snapshot



YARN DYEING

Winsome is a leading player in the yarn dyeing space with a large capacity and diverse capability that extend beyond cotton yarn to other special yarns and blends comprise cellulosic, modal, Tencel, bamboo, and polyester.

The 30 MT/day yarn/fibre dyeing house is amongst the largest in India. With sophisticated equipment sourced from global leaders in the space, this one-of-a-kind investment allows it to match customer requirements seamlessly. The dye house also has a fully-equipped laboratory to test input and output quality. Its dyed yarn is marketed to 50 nations across the globe.





MAKING A SMALL DIFFERENCE TO THE WORLD AROUND US



THE COMPANY'S **ESG STRATEGY** IS AN ORGANISATION-WIDE APPROACH THAT ADJUSTS A COMPANY'S ENVIRONMENTAL, SOCIAL, AND GOVERNANCE PRACTICES TO INCREASE BUSINESS SUSTAINABILITY.



ENVIRONMENT

Saving the Earth from climate change needs our joint efforts. Because, individually and collectively, we have brought on ourselves the perils of a burnt-out environment. As a proactive corporate, Winsome Textile has infused sustainability measures into its business platform to reduce its carbon footprint.

Energy management: Energy is critical to seamless business operations and a critical element of the Company's cost structure. Winsome Textile embeds energy consideration into its business operations and growth strategies.

The Company draws 20% power from its hydel power infrastructure. It utilises the waste heat from its operations for reheating. Moreover, the Company continues to replace legacy equipment with contemporary variants that have helped it to lessen energy consumption. Energy saving will continue to be a critical element of the Company's business strategy.

Water management: While yarn manufacturing does not require too much water, yarn dyeing does. Water management and conservation have emerged as a major concern with the reduced water table worldwide. On its part, Winsome has started to reuse the process wastewater in its dyeing operations, thereby reducing its freshwater consumption. It has also started recovering the salt used during the dyeing process which is reused again in dyeing making a closed loop. During the year, the Company invested in revamping its ETP facility with new technology to enhance its capability.

Material management: Dyes and chemicals used in the yarn and fibre dyeing process are hazardous to the soil and environment. The Company consumes dyes and chemicals free of AZO, NPEO, APEO phenyls, and formaldehyde to address this challenge.





SOCIAL RELEVANCE

Winsome is driven by its vision to improve the quality of life of the communities within which it operates. It works to fulfill a broader objective of inclusive development. Its well-defined CSR Policy gives an essence of the Company's commitment to society.

Employees: Winsome has made the community a part of its family by providing them with livelihood opportunities at its facilities. Moreover, it endeavours to improve their lives through intensive technical, behavioural, and safety training, improving their personal and family lives. In addition to professional upliftment, the Company also provides medical coverage for the people, which provide peace of mind.

Communities: Winsome focuses on Nation Building on a fundamental basis. It organises and drives healthcare and education programs for the community in line with its fervent belief that a healthy community forms the building block of a progressive nation. Winsome also promotes sports and other physical education activities consistent with this belief.



GOVERNANCE

Corporate governance at Winsome is enshrined in its core values and neatly embedded in all its actions, operations, and engagement with the stakeholders and society at large.

The Company has a robust structure to ensure the highest standard of ethics and transparency in its operations beyond simply matching regulatory requirements. The extensive experience of the Board provides the direction toward sustainable growth by actively participating in setting goals and objectives for the Company, guiding the management, and analysing the performance of the Company regularly.

It embraces the best practices to ensure transparency and contribute to creating long-term economic value and sustainable development. The team's disciplined dedication to sustaining business integrity has earned many accolades.

The Governance framework: Integrity, transparency, and openness are the key pillars of Winsome's corporate governance edifice. It has established a corporate governance structure that works towards achieving long-term and long-term sustainable growth. The Company's multi-level sustainability governance structure provides a focused oversight over the Company's policies, initiatives, risks, and sustainability matters. The Board of Directors is actively involved in the Company's business activities and ensures that the Company remains true to the ethos of our corporate governance.

Compliances: Winsome needs to meet all compliance requirements as a publicly traded company. The Company strictly follows all the compliances laid down by the local and national governments and the regulators. These compliance requirements are supported by a robust internal control mechanism to ensure effective working and risk mitigation. It is the Board's responsibility to periodically review compliance reports that apply to Winsome along with a well-defined procedure to work on instances of non-compliance, if any.

Value creation: The Company has created a robust business model which allows it to capitalise well on sectoral upturns and resist the slide when the sectoral tide reverses. This was very evident in FY22 and FY23. In FY22, the Company reported a record-breaking performance when the yarn sector was on an uptick. And when the sectoral trend reversed, the Company remained profitable even when many others reported losses. Moreover, it implemented strategies that would help it enhance its value-creation ability further when good times return.





MANAGEMENT DISCUSSION & ANALYSIS

AN ECONOMIC OVERVIEW

Global Economy: THE GLOBAL ECONOMY WITNESSED A REMARKABLE RECOVERY IN 2021 WHILST THE PANDEMIC WAS STILL RAGING, ALBEIT FROM A LOWER BASE OF 2020.

Challenges persisted in 2022; high inflation rates, the most significant in several decades, led to tightened financial conditions in most regions. Additionally, Russia's invasion of Ukraine had a prolonged impact on the global economy. The rapid spread of COVID-19 in China further impeded growth during the year. Nonetheless, inflation declined to some extent though remained generally elevated, economic activities in most parts of the world opened up, supporting the global economy to register a healthy

growth of 3.4% in 2022. Global trade flourished in 2022, and by mid-December, global trade in goods grew 10%, and global trade in services grew 15% over the previous year.

Global economic growth is expected to decelerate to 2.8% in 2023 (as per IMF), owing to global shocks and inflationary pressures. Asia Pacific region is expected to drive global economic growth, with India and China contributing around half of the global growth. In 2024, global inflation should fall to around 4.3% as Central Banks manage to tame inflation to a large extent.



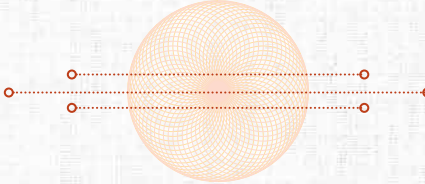
Indian Economy: THE INDIAN ECONOMY HAS FULLY RECOVERED UNLIKE MANY OTHER NATIONS AND HAS POSITIONED ITSELF TO ASCEND TO THE PRE-PANDEMIC GROWTH PATH IN FY23.

The Indian economy continued its stellar performance in FY23, registering a healthy 7.2% GDP growth. This was underpinned by investment activity led by the Government's strong capital expenditure thrust, subsequent capital formation, and return on private consumption.

The global turmoil (consequent to the Russia-Ukraine war) in FY23 triggered broad-based inflation worldwide, India being no exception. In April 2022, retail inflation, measured by CPI (consumer price index), reached the highest (7.79%). RBI increased interest rates to contain the soaring inflation. By the end of this fiscal, CPI (consumer price index) came down to 5.66%.

The index of industrial production grew by 5.1%, against a growth of 11.4% in FY22. Despite this drop, GST collection in FY23 stood at ₹18 lakh crore, clocking a growth of 22% over last year. The growth proved the resilience of the Indian economy amid several global headwinds.

India registered a significantly strong export growth, showcasing its ever increasing relevance in global activity/economy. As the nation steps into FY24, GDP growth is forecast between 6-6.5% - a little lower than FY23 owing to considerable global risks which could weigh on the nation's economic progress.



THE SECTORAL SPACE



1) Global Textile & Apparel

The global textile industry is a major contributor to the global economy, providing employment opportunities to millions around the world.

The industry uses a wide range of materials, including natural fibres such as cotton, wool, and silk, and man-made fibres such as polyester, viscose and nylon.

Following the Covid crisis, the reopening of economies provided an opportunity for consumers to expend more, unlike in 2020 and the first half of 2021. That's why demand soared in the final half of 2021 and brands & retailers increased orders to meet the pent-up demand.

But with inflation rising after the Russian invasion of Ukraine in February 2022, demand for consumer goods slowed down again while inventories remained high.

At present, companies around the world are facing challenges with high production costs and relatively low demand. However, the business climate slightly improved since November 2022. What still remains to be seen is whether this optimism about a better economic future is because of an anticipated well-founded economic normalisation, or the trust that the situation cannot worsen any further.

The global textile industry has witnessed an average capacity utilisation rate stagnating at 74% since the beginning of 2023. It was expected to be at 79% six months ago, as per the International Textile Manufacturers Federation (ITMF).

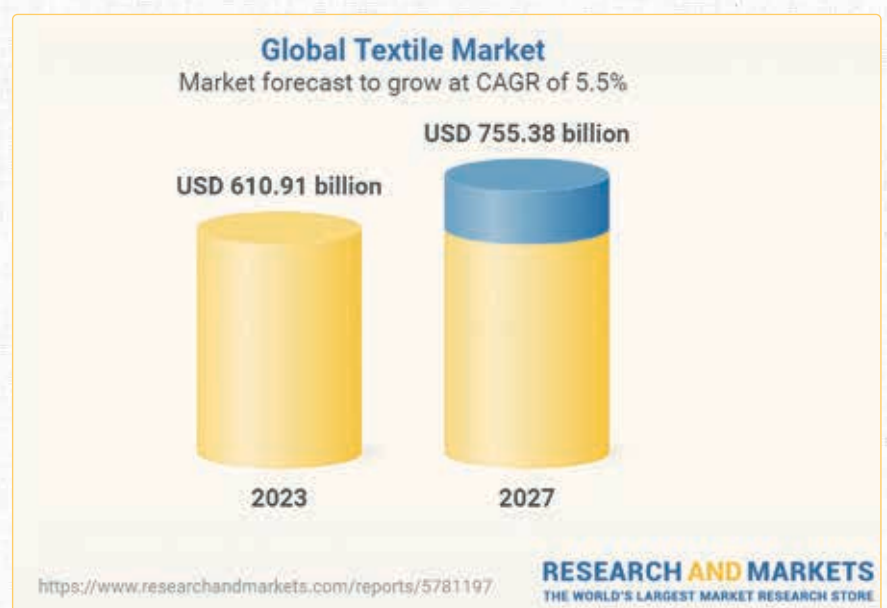
The capacity utilisation rate remained at a relatively low level on average, although that average was higher than in November 2022. The main factor in keeping the rate up is the improved situation in China, where domestic consumption is picking up pace slowly, according to the 19th ITMF Global Textile Industry Survey (GTIS) conducted in the second half of March 2023.

Challenges & Opportunities: Last few years, the industry has been challenged with volatile demand, altered consumer preferences, supply chain disruptions, rising costs, and increased sensitivity to be sustainable and socially responsible.

To address these challenges, the industry is undergoing a fundamental transformation towards a more flexible, fast, and digitally-enhanced sourcing model that is consumer-centric and sustainable. These rapid technological changes which are primarily shaped by consumer behaviour and global challenges have led to a surge in demand for more casual and athleisure wear.

In the coming decades, the industry is likely to continue to focus on digitisation and forging strategic relationships with trusted & reliable suppliers that invest in digitisation, sustainability, and social responsibility. Further, to cope with this ever-changing consumer demand, successful textile & apparel companies of the future will need to revamp their operating models, tools, capabilities, processes, and the role of their sourcing teams. And with the need for resilient supply chains, the textile & apparel industry is also increasingly looking towards recycled fibers as a key component of their sustainable material strategy. The use of rPET (recycled polyethylene terephthalate) from plastic bottles is expected to continue to increase, with a large number of companies planning to replace at least half of their virgin polyester products with rPET over the next few years. By 2025, a large portion of the textile & apparel companies aims to replace a big chunk of their virgin cotton with mechanically recycled cotton and use garment-to-garment recycling in a majority of their polyester and viscose items.

<https://www.fibre2fashion.com/news/textile-news/global-textile-industry-s-mar-2023-capacity-utilisation-at-74-itmf-287056-newsdetails.htm>





2) Indian Textile & Apparel

The textile industry in India is one of the nation’s oldest industries, having existed for decades. India is the world’s second-largest producer of textiles and garments and the fifth-largest exporter of textiles including apparel, home, and technical products. India enjoys a competitive advantage in terms of skilled human resources and cost of production relative to major textile producers.

Performance in FY23: The growth and demand for the Indian textiles sector moderated in FY23.

The Russia-Ukraine war, high inflation, and the threat of a looming recession in key markets like the US and Europe led to a slowdown in exports. Other headwinds, such as extreme volatility in raw material prices and the resurgence of Covid-19 in China, further dampened the performance of the sector.

70% of the industry’s output is based on cotton, in comparison to the global average, where products made of manmade fibers account for a larger share of the market. Therefore, the industry remained vulnerable to changes in the cotton market. However, robust domestic demand and new pockets of growth have been the silver linings.

Despite several obstacles, the home textile and furnishing business expanded. Exports to Europe and the EU, which account for 80% of India’s market in these sectors, remained

stagnant while the domestic market expanded at a 15% annual growth rate.

Outlook: 2023 holds favourable prospects for the Indian textile industry. After turbulence and uncertainty, the industry seems to be headed toward a positive and steady growth phase in times to come. This buoyant mood is a consequence of a series of measures taken by the Union Government to revive the fortunes of the textile industry. These measures range from pushing technical textiles to the PLI scheme, launching mega textile parks, signing FTA’s and MoUs with many countries, etc. These initiatives hold the potential to catapult the Indian textile industry to new heights in the medium term.



Government Support & Initiatives

- In June 2022, the Government announced its plans to establish 75 textile hubs in the country
- The Government has allowed 100% FDI in textiles through the automated route
- Production-linked Incentive (PLI) Scheme worth ₹10,683 crores (US\$ 1.44 billion) has been launched for manmade fiber and technical textiles over a five-year period
- The Government has notified uniform goods and services tax rate of 12% on manmade fabrics (MMF), MMF yarns, and apparel, effective January 1, 2022
- Huge funds amounting to ₹900 crore (US\$ 109.99 million) in schemes like Amended Technology Upgradation Fund Scheme (ATUFS) have been released by the Government in the Union Budget of 2023-24 to facilitate more private equity investments and generate employment
- The Government approved the Mega Integrated Textile Region and Apparel (MITRA) Park scheme worth ₹4,445 crores (US\$ 594.26 million) to establish seven integrated mega textile parks with state-of-the-art

infrastructure, common utilities, and R&D labs over a three-year period. This is expected to boost textile manufacturing in the country

- The new Economic Cooperation and Trade Agreements with Australia and the UAE will open multiple opportunities for textiles and handlooms. Indian textile exports to Australia and the UAE will now attract zero duties. The Government anticipates that Europe, Canada, the UK, and GCC countries will soon welcome Indian textile exports at zero duty
- The Government has identified the technical textile segment as a growth enabler and is trying to bolster its demand. The National Technical Textiles Mission (NTTM) has been approved with a four-year implementation period from FY21 to FY24 with the aim to increase the domestic market size from US\$ 40 billion to US\$ 50 billion by 2024 which will position India as a global leader in technical textiles
- Having signed free trade agreements with foreign countries like Australia, UAE, and with EU, UK and Canada in the offing, India

will export textile products to these countries duty-free which so far attracted a hefty charge. In Australia's case, for instance, most of the Indian apparel and textile products were levied a 5% duty which is to be waived off now. In UAE also, this agreement will give Indian garment exports free access to the local market. This is likely to create an export opportunity of an additional US\$ 2 billion over the next five years

Estimates: The Indian textile and apparel industry is anticipated to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. The Indian apparel market is expected to reach US\$ 135 billion by 2025, a significant rise from US\$ 40 billion in 2020. India's ready-made garment exports will likely cross US\$ 30 billion by 2027, growing at 12-13% CAGR. India is the 5th largest producer of technical textiles in the world with a market size of nearly US\$ 22 billion, and the Government expects to build it up to US\$ 300 billion by 2047.

The Central Government aims for a more than 100% jump in Indian textile exports in the next 5 to 6 years.

The Production Linked Incentive (PLI) Scheme for textiles for Man Made Fibre Fabrics & Apparel and Technical Textiles is expected to attract investment of ₹19,798 crores for manufacturing.

3) Indian Spinning Sector

Spun yarn spinning industry has gained global importance and recognition for many factors including, but not limited to, scale, productivity, quality standards, share in global yarn trade, dependable supplier of quality products, etc. India is the market leader in global yarn trade with the second-largest spinning industry and can offer the entire range of yarns right from the coarsest count, like 6s Ne, to the finest count, like 300sNe, both for domestic and international markets, as well as value-added and fancy yarns making India a hub of manufacturing cotton yarns.

Performance in FY23: Fiscal 2023 was particularly challenging for the spinning sector. The Union budget for FY 22-23 imposed a net import duty of 11% on imported cotton leading to escalation in domestic cotton prices. Indian cotton became more expensive than imported cotton.

The unprecedented volatility in cotton prices hiked our costs. On the flip side, the depressed consumer markets dampened offtake (owing to de-stocking across the textile value chain) and prevented spinners from passing on the elevated costs to their customers (fabric makers).

On the exports front, after registering all-time highs in FY22, Indian cotton yarn exports have declined sharply since April 2022, with uncompetitive Indian prices and a slowdown in demand in the developed nations. With a sharp surge in cotton prices and ensuing operational disruptions, yarn production also witnessed an approximately 19 percent year-on-year (YoY) decline, plunging their exports.

Revenue and profitability nosedived. While prominent players throttled their capacities to cope with the situation, the smaller players were

forced to shut operations for a few months to minimise losses. The saving grace was the supernormal earnings during FY22, which supported the life of the business.

The green shoots of recovery appeared as recessionary headwinds scattered across the developed nations. The reopening of the Chinese market relieved spinners, and exports to this geography commenced at a healthy uptick. These factors contributed to improved numbers towards the close of FY23. Industry watchers/analysts are optimistic that this trend will continue into FY24. Also, a better quality cotton crop for the Cotton season 2023-24 has raised hopes for a better FY24.



4) Indian Cotton Industry

India is amongst the largest producer of cotton in the world. Cotton is significantly important for the Indian economy and the livelihood of the Indian cotton farmers. The area under cotton cultivation is approx. 11.7 million hectares in India compared to 31.2 million hectares globally. The Indian cotton industry provides livelihood to about 60 million people.

China is the second largest importer of cotton following India and followed by Bangladesh, accounting for over 80% of cotton imports in 2022. Vietnam and Indonesia are also among the largest importers of cotton, making up over 15% of the total cotton exports. So, the reopening of China will be favourable for Indian cotton exports but will eventually depend on the local/indigenous prices of cotton vis-a-vis international prices.

The Government of India, in conjunction with the Export Promotion Council, has set a long-term goal of US\$ 100 billion in textiles industry exports by 2030. It has also targeted increasing productivity from around 450 Kg lint per hectare to at least 800-900 Kg lint per hectare. Therefore, the focus remains on adopting the latest innovative technologies and best farming practices across the globe to enhance productivity and achieve sustainable quality cotton output. Farmers are motivated through awareness meetings and timely advisories to achieve these goals. They are further trained on adopting modern scientific farm practices.

Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing consumer demand.

Cotton Season 2021-2022

The Cotton Association of India (CAI) estimated the cotton crop production for the 2021-22 seasons at 307.5 lakh bales (170 kgs each). The total cotton supply from October 2021 to March 2022 was around 343.68 lakh bales, which consisted of the arrivals of 262.68 lakh bales, imports of 6 lakh bales, and the opening stock estimated by the CAI at 75 lakh bales at the beginning of the season.

Cotton Season 2022-2023

The CAI estimates the cotton crop production for the 2022-23 season to be 311.18 lakh bales (170 kgs each) (as of June '23). The total cotton supply from October 2022 to June 2023 was 315.98 lakh bales, which includes 281.98 lakh bales of arrivals, 10 lakh bales of imports, and the opening stock estimated at 24.00 lakh bales at the beginning of the season.



Cotton Balance Sheet: 2021-22 & 2022-23 (Cotton Year: October to September)

Particulars	2021-22 (P)*		2022-23 (P)*	
	(In lakh bales of 170 kg. Each)	(in Thousand Tons)	(In lakh bales of 170 kg. Each)	(in Thousand Tons)
Supply				
Opening	71.84	1,221.28	24.00	408.00
Crop	299.16	5,085.72	311.18	5,290.06
Imports	14.00	238.00	15.00	255.00
TOTAL	385.00	6,545.00	350.18	5,953.06
Demand				
Mill Consumption	293.00	4,981.00	280.00	4,760.00
S.S.I Consumption	19.00	323.00	15.00	255.00
Non-Textile Consumption	6.00	102.00	16.00	272.00
Export	43.00	731.00	16.00	272.00
TOTAL	361.00	6,137.00	327.00	6,324.00
Closing Stock.	24.00	408.00	23.18	394.06

* Provisional

* As estimated by Committee on Cotton Production and Consumption (COCPC) in its meeting held on 30.06.2023

COTTON ASSOCIATION OF INDIA		
Balance Sheet of 9 months (From 1-Oct-2022 to 30-Jun-2023)		
Details	In Lakh Bales	In '000 Tons
Opening stock as on 01-Oct-2022	24.00	408.00
Arrivals upto 30-Jun-2023	281.98	4,793.66
Imports upto 30-Jun-2023	10.00	170.00
Total Available	315.98	5,371.66
Consumption	238.00	4,046.00
Export Shipments upto 30-Jun-2023	13.50	229.50
Stock with Mills	36.98	628.66
Stock with CCI, Maha, Fedn., MCX, MNCs, Ginners, Traders & Exporters	27.50	467.50
Total	315.98	5,371.66

Cotton Export

India is consistently ranked the second largest exporter of cotton textiles (yarn, fabrics and made-ups) of the world. The total value of export in 2022 was worth US\$ 143.87 billion. Historically, export always exceeded imports by a substantial margin. But in 2022-23 lower domestic supplies, increased demand for long and extra-long staple grades and the free trade agreements have facilitated higher imports.

Exports of Cotton Textiles during 2022-23

Commodity	Million US \$		
	April-March		% Share
	2021-22	2022-23	2022-23
Cotton Madeups	4,986.55	4,160.59	40.65
Cotton Fabrics	3,101.70	2,523.43	24.68
Cotton Yarn	5,518.93	2,766.54	27.03
Cotton Textiles	13,607.18	9,452.57	92.36
Raw Cotton	2,816.59	781.68	7.64
Cotton Textiles + Raw Cotton	16,423.77	10,234.24	100

Source of Data: DGCIS, Ministry of Commerce

According to the data released by the Ministry of Commerce & Industry, exports of cotton yarn/ fabrics/made-ups, handloom products etc from India are estimated to decline by 12.7% in April - June 2023 over April - June 2022. Also, exports in June have declined slightly by -1.2% as compared to the previous year in the same month.

But things are likely to pick up at the beginning of the second half of the FY24 financial year. Additionally, policy support and initiatives from the relevant authorities are needed to move forward in the days to come.

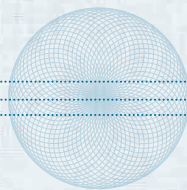


ABOUT THE COMPANY

WITH ITS CORPORATE OFFICE IN CHANDIGARH, WINSOME TEXTILE INDUSTRIES LIMITED (WINSOME TEXTILE) IS A LEADING MANUFACTURER OF YARNS AND FABRICS FOR KNITTING AND WEAVING.

Located at Baddi, our sophisticated manufacturing units produces one of the finest qualities of 100% cotton mélange yarn and cotton and synthetic blended mélange, specialty, and dyed yarns (carded and combed) used in downstream weaving and knitting applications.

Our product portfolio comprises raw white yarn, dyed yarn, fancy yarn, melange yarn, knitted fashion and striper fabrics. Our products are accepted by more than 250 customers across 50 countries and 600+ customers within India.



FINANCIAL PERFORMANCE

THE DOWNTURN IN THE TEXTILE SECTOR DURING FY 22-23 ADVERSELY IMPACTED THE COMPANY'S FINANCIAL PERFORMANCE. WHILE THE TOPLINE WAS MARGINALLY LOWER THAN THE PREVIOUS YEAR, PROFITS AND PROFITABILITY DROPPED SHARPLY.

Revenue from operations stood at ₹876.03 crore in FY23, down from ₹955.53 crore in FY22. Significant cost escalation, especially under the head cost of materials consumed, eroded operating profits. EBITDA dropped from ₹137.01 crore in FY22 to ₹93.05 crore in FY23. Similarly, EBITDA margin dropped by 372 bps over the previous year.

The interest cost for the year dropped from ₹42.69 crore in FY22 to ₹38.85 crore in FY23 as the Company deployed internal accruals to repay debt. Net Profit after tax for the year stood at ₹24.52 crore in FY23 against ₹45.49 crore in FY22.

Despite a dismal/ unremarkable performance, business stability improved appreciably. Networth improved from ₹231.82 crore as on March 31, 2022 to ₹256.23 crore as on March 2023 - the increase was owing to the addition of business surplus. Total debt dropped from ₹306.43 crore as on March 31, 2022 to ₹278.10 crore as on March 31, 2023. As a result, the debt-equity ratio dropped from 2.42 as on March 31, 2022 to 1.96 as on March 31, 2023.

On the working capital front, inventory days increased as the Company stocked cotton owing to its spiralling prices. Debtor days dropped appreciably due to a sharpened focus on transforming receivables into cash. Hence, the current ratio stood at the previous year's levels.

Advancing into the current year, the Company is hopeful of a tide reversal in the textile sector which should help in improving the overall financial performance.



Particulars	Numerator	Denominator	31st March, 2023	31st March 2022	% Variance
Current Ratio	Current Assets	Current Liabilities	1.33	1.33	(0)
Debt-Equity Ratio	Total Outside Liabilities	Shareholders' Equity	1.96	2.42	19
Debt Service Coverage Ratio	Earnings available for debt service (*)	Debt Service (**)	1.32	1.52	14
Return on Equity Ratio (%)	Net Profits after Taxes	Shareholders' Equity	9.57	19.62	(51)
Inventory turnover ratio (No of Days)	Total Inventories	Revenue from Operations	119	98	21
Trade Receivables turnover ratio (No of Days)	Total Net Trade Receivable	Revenue from Operations	39	59	34
Trade payables turnover ratio (No of Days)	Total Net Trade Payables	Purchases & Consumption of Goods	84	100	16
Net capital turnover ratio	Revenue from Operations	Working Capital	7.85	7.83	0
Net profit ratio (%)	Net Profit after Taxes	Revenue from Operations	3.94	7.31	(46)
Return on Capital employed (%)	Earnings before interest and taxes	Capital Employed(#)	17.32	26.31	34
Return on investment (%)	Income generated from long-term investments	Average long-term investments	20.00	13.55	48

(*) Earnings available for debts = Profit after Tax before depreciation and interest on long-term borrowings

(**) Debts Service = Repayment of long-term borrowings and Gross Interest on long-term borrowings

(#) Capital Employed = Total book value of all assets less current liabilities

Reason for variance where the variance exceeds 25% as compared to previous years

- Highly inflationary conditions and recessionary trends in USA & Europe and the Russia-Ukraine war have led to subdued demand for textile products in the overseas markets. This has also adversely impacted the domestic markets. Moreover, unprecedented raw material volatility and increasing interest rate have further led to lower profitability in the current financial year as compared to the last financial year
- (a) **(Return on Equity Ratio, Net Profit Ratio & Return on Capital employed):** - The Company achieved lower Turnover and Net Profits in Financial Year. 2022-23 as compared to Financial Year 2021-22
- (b) **(Trade Receivables Turnover Ratio):** - The Company achieved speedy realisation of debtors in the Financial Year 2022-23 as compared to the Financial Year 2021-22
- (c) **(Return on Investment):** - The Company earned a higher dividend in Financial Year 2022-23 as compared to Financial Year 2021-22

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

THE COMPANY'S INTERNAL AUDIT SYSTEM HAS BEEN CONTINUOUSLY MONITORED AND UPDATED TO ENSURE THAT ASSETS ARE SAFEGUARDED, ESTABLISHED REGULATIONS ARE COMPLIED WITH, AND PENDING ISSUES ARE ADDRESSED PROMPTLY.

The audit committee reviews reports presented by the internal auditors on a routine basis. The committee makes note of the audit observations and takes corrective actions, if necessary. It maintains a constant dialogue with the statutory and internal auditors to ensure effective operations of the internal control systems.



HUMAN RESOURCE

WINSOME CONTINUES TO INVEST IN ITS PEOPLE - BUILDING THEIR CAPABILITY, SHARPENING THEIR EXPERTISE, AND NURTURING THE SPIRIT OF LEADERSHIP, WHICH MAKES IT A LEARNING HUB AND A DELIVERY-ORIENTED INSTITUTION.

Its people-centric policies have created a unique bond with its 2370+ team. This is evident in the fact that a large section of its team is attached with the Company for more than ten years.

The Company continued to upskill its people with relevant knowledge that allows them to align with the trends evolving in the business space. It organised technical, behavioural, and management training sessions throughout the year which were

conducted by internal team members and external faculty. The Company also sends its employees for external training programs to CII, PHD Chamber of Commerce, NITRA, etc.

A depressing market condition foregrounded cost optimisation. Teams sharpened their focus on undertaking cost optimisation and process improvement projects through its Quality Circle programme. During the year Company organised events and celebrated festivals which helped in boosting the morale of its members.

The Company remains committed to the overall development and mental & psychological well-being of our employees.

Winsome is engaged as a Training Provider with National Skill Development Corporation under Registration number 9187 for the following:

- 1) PMKVY (Pradhan Mantri Kaushal Vikas Yojna) for providing training to new/fresh apprentices.
- 2) RPL (Recognised Prior Learning) at its two centres located at Baddi (under the Textile Sector Skill Council) for job roles such as ring frame tenterring frame doffer & auto conertenter.



RISK MANAGEMENT

BUSINESS UNCERTAINTY MANIFESTS AS RISK AND IMPACTS CORPORATE PERFORMANCE AND PROSPECTS.

Therefore, we have integrated an elaborate, well-defined risk management process into our operations. Thus, we are able to identify, categorise and prioritise different kinds of risks, namely, operational, financial, and strategic business risks. We allocate significant resources to mitigate and manage the identified risks.

The remaining mandatory information required to be provided under Management Discussion and Analysis has been mentioned elsewhere in the Annual Report.

CAUTIONARY STATEMENT

IN THIS ANNUAL REPORT, WE HAVE DISCLOSED FORWARD-LOOKING INFORMATION TO ENABLE INVESTORS TO COMPREHEND OUR PROSPECTS AND MAKE INFORMED INVESTMENT DECISIONS. THIS REPORT AND OTHER STATEMENTS - WRITTEN AND ORAL - THAT WE PERIODICALLY MAKE CONTAIN FORWARD-LOOKING STATEMENTS THAT SET OUT ANTICIPATED RESULTS BASED ON THE MANAGEMENT'S PLANS AND ASSUMPTIONS. WE HAVE TRIED WHEREVER POSSIBLE TO IDENTIFY SUCH STATEMENTS BY USING WORDS SUCH AS 'ANTICIPATES,' 'ESTIMATES,' 'EXPECTS,' 'PROJECTS,' 'INTENDS,' 'PLANS,' 'BELIEVES,' AND WORDS OF SIMILAR SUBSTANCE IN CONNECTION WITH ANY DISCUSSION OF FUTURE PERFORMANCE. WE CANNOT GUARANTEE THAT THESE FORWARD-LOOKING STATEMENTS WILL BE REALISED, ALTHOUGH WE BELIEVE WE HAVE BEEN PRUDENT IN OUR ASSUMPTIONS. THE ACHIEVEMENT OF RESULTS IS SUBJECT TO RISKS, UNCERTAINTIES, AND EVEN INACCURATE ASSUMPTIONS. SHOULD ANY KNOWN OR UNKNOWN RISKS OR UNCERTAINTIES MATERIALISE OR UNDERLYING ASSUMPTIONS PROVE INACCURATE, ACTUAL RESULTS COULD VARY MATERIALLY FROM THOSE ANTICIPATED, ESTIMATED, OR PROJECTED. READERS SHOULD KINDLY BEAR THIS IN MIND. WE UNDERTAKE NO OBLIGATION TO PUBLICLY UPDATE ANY FORWARD-LOOKING STATEMENTS, WHETHER DUE TO NEW INFORMATION, FUTURE EVENTS, OR OTHERWISE.



Board's Report

Dear Shareholders

Your Directors have pleasure in presenting the 42nd Annual Report together with the Audited Financial Statements of the Company for the financial year ended 31st March, 2023.

	(₹ in lacs)	
Financial Highlights	Year ended 31.03.2023	Year ended 31.03.2022
Sales	87,791.13	95,817.59
Profit before Interest & Depreciation	9,492.87	13,397.05
Less : Interest	3,885.09	4,269.34
Profit/(Loss) before Depreciation	5,607.78	9,127.71
Less : Depreciation	2,156.78	2,141.28
Profit/ (Loss) before Tax	3,451.00	6,986.43
Less : Provision for Taxation - Current Tax/MAT	975.88	2,657.12
-MAT Credit	-	-
-Deferred Tax Liability/(Assets)	(35.63)	(1,563.22)
-MAT Credit earlier year/Charged Earlier Year	-	-
-Tax/MAT for earlier years	-	-
-Tax Adjustment for the earlier year	58.96	1,343.88
Net Profit/ (Loss) after Tax	2,451.79	4,548.65
Add : Surplus brought from previous year	5,017.01	2,955.74
Less: Adjustments & amounts transferred to General Reserves	2,500	2,500.00
	4,958.18	5,017.01
Appropriations :		
Proposed Dividend	NIL	NIL
Corporate Dividend Tax	NIL	NIL
Surplus Carried to Balance Sheet	4,958.18	5,017.01
	4,958.18	5,017.01

PERFORMANCE REVIEW/STATE OF AFFAIRS OF THE COMPANY

A. Yarn Spinning, Dyeing and Fabric

During the year under review, your Company's Sales decreased by 8.38% to ₹87791.13 lacs against ₹95817.59 lacs during the previous year and net profit (after tax) has decreased by 46.09% to ₹2451.79 lacs for the current year against net profit (after tax) of ₹4548.65.lacs in the previous year. Further the exports of the company during the year decreased by 40.55% to ₹35626.50 lacs against ₹59926.68 lacs for the previous financial year.

Textile manufacturing units around the globe have reported lower turnover and profit compared to last year due to high production cost and low demand. High inflation, increased interest rates and war in Ukraine has impacted the demand of textile goods and apparels. The raw material prices although dropped as compared to last year, but decline in yarn prices was sharper than corresponding reduction of raw materials.

B. Hydro Power Project

During the year 2022-2023, 3.5 MW hydropower project of the company at Dharamshala, Distt. Kangra, Manuni Khad (H.P.) has generated 109.42 lac units in 2022-2023

as compared to 124.52 lacs units in year 2021-2022 and entire units generated were captively consumed in our plant at Baddi. The fall in generation is mainly due to poor rainfall in catchment area during last monsoon season.

MODERNISATION & EXPANSION

During the year 2022-23 the company has undertaken up gradation and modernization project in Unit at Baddi. The Capital cost of the project was estimated to be ₹51.78 Crs for which an amount of ₹38.84 Crs was sanctioned by Banks and balance amount of ₹12.94 Crs was met by Internal Accruals. The modernization was envisaged to meet the increase in export demand of value added products and involves replacement of old spinning machinery, with state of art new machines which would facilitate production of yarn with great efficiency, productivity with lesser wastage. Also capacity of dye house would be increased from 30 MTPD to 31.5 MTPD along with improvements in effluent treatment and water recovery plant to meet state pollution control board guidelines/requirement. In order to increase in-house worker's strength, it was also proposed to increase workers housing including additional accommodation in women's hostel. The entire up Gradation project would be completed by the end of third quarter of FY 2023-24. The company is making substantial efforts and initiative on sustainability and our commitment to CMS sustainability has placed us as a signatory of ZDHC and have become first supplier in India to get 'Incheck and verified by ZDHC'.

SHARE CAPITAL

The Authorized Share Capital of the Company is ₹25,00,00,000/- (Rupees Twenty Five Crores) divided into 2,50,00,000 (Two Crore Fifty Lac) Equity Shares of ₹10/- each.

The paid up Equity Share Capital as at March 31, 2023 was ₹19,82,00,000/- (comprised of 1,98,20,000 equity shares of ₹10/- each). During the year under review, the Company has neither issued any shares nor granted stock options or sweat equity, preference shares and also not made any provision for purchase of its own shares by employees or by trustees.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan or provided any security/guarantee as per section 186 of the Companies Act, 2013 during the year 2022-23. The Investments under section 186 of the Act are given in the Financial Statements forming part of the Annual Report.

PUBLIC DEPOSITS

The Company has not accepted /renewed any deposits from the public during the FY 2022-23.

DIVIDEND & RESERVES

Keeping in view to conserve resources, your Directors have not recommend any dividend for the FY 2022-23.

During the year under review no unclaimed and unpaid dividend was pending for transfer to IEPF Authority. Although, the unclaimed dividend and shares already transferred to the IEPF Authority by the Company in the previous years can be claimed by the concerned shareholders by approaching the Investor Education and Protection Fund Authority.

NUMBER OF MEETINGS HELD

The details of Board and Committee Meetings are given in the Corporate Governance Report.

DIRECTORS/KEY MANAGERIAL PERSONNEL

Sh. Ashish Bagrodia, Chairman & Managing Director and Sh. Anil Kumar Sharma, Executive Director & CEO shall be liable to retire by rotation at the ensuing General Meeting, being eligible, they have offered themselves for re-appointment.

Sh. Ashish Bagrodia, Chairman and Managing Director was reappointed on, 1st February 2021 for a five years period and remuneration was approved for a period of three years. As remuneration was approved for a period of three years, the Board has approved his remuneration, for remaining tenure of re-appointment subject to approval of shareholders, at the ensuing Annual General Meeting. Sh. Anil Kumar Sharma have been re-appointed as an Executive Director & CEO for a period of three years w.e.f. 12th February 2023, subject to the approval of Shareholders of the Company at the ensuing Annual General Meeting. During the year Sh. Arun Kumar Basu (DIN: 08747388) Non-Executive Independent Director resigned on 29th August 2022.

There was no change in the Key Managerial Personnel during the year.

ANNUAL EVALUATION OF BOARD AND ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS.

As per Companies Act 2013 and Listing Regulations, Board has adopted 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. 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 annual 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.

The separate Meeting of independent Directors was held on 11th February, 2023 to review the performance of Non-Independent directors including the Chairman and the Board as a whole as per Code of Independent Directors under Companies Act 2013 and Listing Regulations. The Independent Directors also reviewed the quality, content and timeliness of follow of information between Management and the Board.

The Performance Evaluation Policy of Board of Directors is uploaded on the Company's website i.e. www.winsometextile.com under corporate policies.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their Remuneration. The said policy has been uploaded on the website of the Company. The Key provisions of Nomination and Remuneration policy are appended as an **Annexure I** to the Board's report.

AUDIT COMMITTEE

The company has duly constituted an Audit Committee, the scope of which is quite comprehensive and is in conformity with the provisions of the Companies Act, 2013 and Listing Regulations. The composition of the Audit Committee is given in Corporate Governance Report.

All the recommendations of the Audit Committee were accepted by the Board.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has adopted the Whistle Blower Policy/Vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct and Ethics. Such mechanism/policy is also uploaded on the website of the Company i.e. www.winsometextile.com under the head "corporate policies".

AUDITOR'S REPORT

The auditor's report is self-explanatory and requires no explanation.

COST AUDIT & AUDITORS

M/s K.K. Sinha & Associates, Cost Accountants were appointed as Cost Auditors of your Company for auditing the cost accounts records for the financial year 2022-23 under provisions of Section 148 of the Companies Act, 2013. They are likely to submit Cost Audit Report within the prescribed time limit. Further the Company has made and maintained proper cost records as specified by the central government under sub-section (1) of section 148 of the Companies Act, 2013 for its business activities carried out during the year.

Furthermore, the Board has re-appointed M/s K.K. Sinha & Associates, Cost Accountants as Cost Auditors of the Company for the financial year 2023-24 on a remuneration of ₹75,000/- (Rupees Seventy Five Thousand Only) same as in the previous year subject to the approval of Shareholders. The Company has received written confirmation(s) from M/s K.K. Sinha & Associates, Cost Accountants, to the effect that their re-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.

SECRETARIAL AUDIT & AUDITORS

Shri Ramesh Bhatia, Practicing Company Secretary was appointed to conduct the secretarial audit of the Company for the financial year 2022-23 as required under Section 204 of the Companies Act, 2013 and Rules made there under. The secretarial audit report for FY 2022-23 is appended as an **Annexure II** to the Board's report. The Secretarial auditors' report for the year under review

contain no adverse remarks, qualifications, hence no comments required.

Furthermore, the Board has re-appointed Shri Ramesh Bhatia, Practicing Company Secretary as secretarial auditor of the Company for the financial year 2023-24.

ANNUAL SECRETARIAL COMPLIANCE REPORT

The Company has undertaken an audit for the financial year 2022-23 for all applicable compliances as per SEBI Regulations and Circulars / Guidelines issued thereunder. The Annual Secretarial Compliance Report has been submitted to the stock exchanges within the prescribed time.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All Related Party transactions entered during the financial year were on arm's length basis and in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its review/approval under omnibus approved route. There was no material contract or arrangement or transactions with Related Party during the year. Thus, disclosure in form AOC-2 is not required.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013, the rules there under and Listing Regulations. This Policy as considered and approved by the Board has been uploaded on the website of the Company at web link <http://www.winsometextile.com/files/pdf/68-63-file.pdf>.

PARTICULARS OF EMPLOYEES

The information under Section 197 read with Rule 5(1), 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as an **Annexure III & Annexure IV** to the Board Report.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return as on March 31, 2023 is available on the Company's website at web link <http://www.winsometextile.com/annual-return>.

INDUSTRIAL RELATIONS

The company maintained healthy, cordial and harmonious industrial relations at all levels.

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

The Company has been addressing various risks through well-defined risk management policy/procedures, which in the opinion of the Board may threaten the existence of the Company. The Company has in place a mechanism to inform the Board about the risk assessment and minimization procedures and periodical review to ensure that management controls risk through means of a properly defined framework.

The Company has formulated and adopted Risk Management Policy to prescribe risk assessment, management, reporting and disclosure requirements of the Company. The said policy is available on the website of the Company i.e. www.winsometextile.com.

INTERNAL FINANCIAL CONTROL SYSTEMS

The Company has laid down adequate internal financial controls with reference to financial statements. During the year such controls were tested and no material weakness in their operating effectiveness was observed.

Further, the Company has an adequate system of internal control system in place commensurate with its size and operations. It ensures that all transactions are authorized, recorded and reported correctly. To maintain its objectivity and independence, an in-house Internal Audit Department of Company continuously monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating system, accounting procedures and policies/SOP's at all the location of the Company. Significant audit observation and corrective actions thereon are presented to Audit Committee. The Audit Committee regularly reviews the reports submitted by Internal Audit Department.

ASSOCIATES AND SUBSIDIARIES

The Company has no Associates & Subsidiaries as on March 31, 2023.

OVERSEAS BRANCH

The Company has its branch office in Poland, which is operational since F.Y. 2018-19 and catering to textile market in central Europe.

CORPORATE GOVERNANCE AND COMPLIANCE WITH SECRETARIAL STANDARDS

As per the provisions of Listing Regulations, a separate Report on Corporate Governance practices followed by the Company together with a Certificate from the Practising Company Secretary, confirming compliance forms part of this report. Furthermore, the Company has complied with Secretarial Standards issued by Institute of Company Secretaries of India on Board Meetings and General Meetings.

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

As required under Section 134(3)(m) of the Companies Act 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 the particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is appended as an **Annexure V** to the Board's Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The brief outline of the corporate social responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure VI** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is also part of this Annual Report. The CSR policy is available on website of Company at web link: <http://www.winsometextile.com/files/pdf/68-224-file.pdf>.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

SEBI, vide its order dated December 15, 2021 has restrained the company from accessing the securities market in any manner, whatsoever, for a period of 3 years from the date of the said order and also levied of a penalty of ₹4.40 Crores. The company has obtained a legal opinion that SEBI has erred in passing the said order and the company has filed appeal with the appropriate forum and same is pending as on date.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of section 134(3)(c) and 134(5) of Companies Act, 2013, it is hereby confirmed that:

- in the preparation of annual accounts for the financial year ended 31st March, 2023, the applicable accounting standards have been followed and that there are no material departures;
- 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, 2023 and of the profit or loss of the Company for the year ended on that date;
- 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;
- the annual accounts have been prepared on a going concern basis;
- 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;
- 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.

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/ relevant regulation.

STATUTORY DISCLOSURES

None of the Directors of Company are disqualified under the provisions of section 164 of Companies Act 2013 & rules made there under. 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").

INTERNAL COMPLAINT COMMITTEE (ICC)

The Company has constituted an Internal Complaint Committee (ICC) in all units of the company including corporate office to consider and resolve all sexual

harassment complaints reported by any employees of the Company. The constitution of ICC is as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the committee includes external members from NGOs with relevant experience. Investigation is conducted and decisions made by ICC at respective location, and senior woman employee is the presiding officer over every case. Half of the total members of ICC are women. The details of complaints pertaining to sexual harassment that were filed, disposed of and pending during the financial year are provided in the corporate governance report of this Annual Report.

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.

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.

OTHER DISCLOSURES

No disclosure or reporting is made in respect of the following items as there were no transactions during the year under review:

- There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or the Board under Section 143(12) of Act and Rules framed thereunder.
- Neither there is revision in the Financial Statements nor there is any change in nature of business.

EQUAL OPPORTUNITY EMPLOYER

Company has always provided a congenial atmosphere for work to all employees that is free from discrimination and harassment including sexual harassment. It has provided equal opportunities to all employees, workers without regard to their caste, creed, colour, marital status and sex.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

ACKNOWLEDGEMENT

The Directors take this opportunity to express their deep sense of gratitude to the Customers, stakeholders, Central and State Governments for their continued guidance and support. Your Directors wish to place on record their appreciation for the support, dedication and hard work put in by every member of WINSOME Family.

For and on behalf of the Board

sd/-

(Ashish Bagrodia)

Chairman & Managing Director

DIN-00047021

Place: Chandigarh

Date: 08.08.2023

NOMINATION AND REMUNERATION POLICY OF WINSOME TEXTILE INDUSTRIES LIMITED

1. Introduction

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee to align the objectives and goals of the Company with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time-to-time) ('Listing Regulations').

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

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 “Company” means Winsome Textile Industries Limited
- iv “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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended time to time.
- v “Compliance Officer” means the Company Secretary and any officer of the Company
- vi “Director” means a Director appointed to the Board of a Company.
- vii “Executive Director” means the Managing Director, Whole-time Director, as the case may be and includes Directors who are in the full time employment of the Company.
- viii “Independent Director” means a Director referred under provisions of Section 149 of the Companies Act, 2013 and rules thereunder and as provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended time to time.
- ix “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
 - i. Managing Director, or Chief Executive Officer or manager and in their absence, a whole time director;
 - ii. Company Secretary
 - iii. Chief Financial Officer and
 - iv. Such other officer as may be prescribed.
- x “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.

- xi "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.
- xii "Policy or This Policy" means "Nomination and Remuneration Policy."
- xiii "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, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 shall make recommendations & nominations to the Board. In this regard, the said Committee, apart from other functions as assigned/delegated to it, shall 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 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 shall 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 shall 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.

No Independent Director of the Company shall hold office after completion of the age of seventy five years unless his appointment/ continuation have been approved through a special resolution by the shareholders of the Company.

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, shall be fixed or determined as per the provisions of Companies Act 2013, rules made thereunder and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 shall 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 employees of the Company shall 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 shall be determined by the Committee and recommended to the Board for approval. The remuneration of Senior Management Personnel shall be as per remuneration policy as amended from time to time.
- 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 approval of shareholders of the Company, as required by the law for the time being in force.
- 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 if any 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) shall be within the limits/slabs as approved by the Shareholders in their general meeting & shall be paid in accordance with their respective terms and conditions of appointment/re-appointment.

The increments shall 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 from time to time, subject to the required approval(s).

(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 from time to time, subject to the approval of shareholders, wherever required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for and on behalf of the Company.

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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended time to time 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.

FORM NO.MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2023

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

To,
The Members,
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 Winsome Textile Industries Limited'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 31/03/2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board- Processes and Compliance - Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- 1). 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 31/03/2023 according to the provisions of:
 - i) The companies Act, 2013 (the Act) and the rules made there under.
 - ii) The Securities Contracts (Regulations) Act, 1956 (SCRA) and the rules made there under,
 - iii) The Depositories Act, 1996 and the Regulations and Bye Laws framed there under:
 - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the Extent of Foreign Direct Investments,

Overseas Direct Investment, and External Commercial borrowings.

- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. (Not applicable during the period of Audit)
 - (b) The 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, 2013 and dealing with clients.
 - (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations 2014 (Not applicable during the period of Audit)
 - (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)
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares), Regulations, 2009 (Not applicable during the period of Audit)
 - (h) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable during the period of Audit)

- (l) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- 2). I have relied on the representation made by the company and its officers for systems and mechanism put in place by the company for compliance under the applicable act, laws and regulations to the company
- 3). 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 erstwhile Listing Agreements entered by the Company with Bombay Stock Exchange Limited, read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - 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 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. Further some, during the year ended 31st March 2023, the company has filed FORM – IEPF-5E verification report late on 15/10/2022 (SRN NO: F30172480) and has paid Additional fee of ₹2500/-
 - I further report that:
During the financial year ended on 31st March, 2022, The Securities and Exchange Board of India vide its order No:WTM/AB IVD/ID4/14459/ 2021-22 dated 15-12-2021 restrained the Company, one present and two past Directors from accessing the Securities Market. The Company and said directors are further prohibited from buying, selling, or otherwise dealing in the securities directly or indirectly in any manner from the date of this order for three, two, one and one year respectively. Further, the financial penalties levied vide above mentioned orders are on, Winsome Textile Industries Limited, ₹4.4 Crores, Mr. Ashish Bagrodia, CMD ₹44 lacs, Mr. Satish Girotra, Ex-Director ₹10 Lacs and Mr. Manish Bagrodia, Ex-Director ₹5 Lacs. Further, the appeal filed by Mr. Ashish Bagrodia against the orders of The Securities and Exchange Board of India order No: Order/MC/HP/2021-22

dated 30th November, 2021 has imposed a penalty of ₹10 lacs on him as Ex-Director of Winsome Yarns Limited with the SAT has been dismissed and the penalty levied has since been paid. The outcome of

the Appeal No: 348/2022 filed with the Securities Appellate Tribunal, Mumbai by the Company and its Director(s) against the Orders of SEBI, is still awaited.

Signature:

Name: **Ramesh Bhatia**

FCS No.: 2483

C.P. No.: 1917

PR No.: 896

UDIN No.: F002483E000273655

Place: Chandigarh

Date: 09.05.2023

“Annexure A”

To,

The Members,

Winsome Textile Industries Limited

1, Industrial Area, Baddi-173205.

Distt Solan H.P.

Our report of even date is to be read along with this letter.

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

Place: Chandigarh

Date: 09.05.2023

(Ramesh Bhatia)

Company Secretary In Practice

UDIN No. F002483E000273655

“Annexure - III”

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. 2022-23:

Sh. Ashish Bagrodia: 45.62:1
Chairman & Managing Director

Sh. Anil Kumar Sharma: 28.92:1
Executive Director and CEO

(II) The percentage increase/(decrease) in remuneration of each Director, CEO, CFO & CS during F.Y. 2022-23:

S. No.	Name	Designation	% increase/(decrease) in Remuneration
1	Sh. Ashish Bagrodia	CMD	*9.18 %
2	Sh. Anil Kumar Sharma	ED & CEO	8.07 %
3	Sh. Sanjay Kumar Kedia	CFO	8.47 %
4	Sh. Videshwar Sharma	CS	8.39 %

*Excluding Commission

Except Sh. Ashish Bagrodia, and Sh. Anil Kumar Sharma, remaining Board Members are Non-Executive Independent Directors and entitled for sitting fees only. The details of sitting fees paid to Non-Executive Independent Directors are provided separately in 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/ (decrease) in the median remuneration of employees for F.Y. 2022-23:

6.51%

(IV) The number of permanent employees on the rolls of company as on 31st March 2023:

2376

(V) Average percentile increase/ (decrease) already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase/ (decrease) in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase/ (decrease) in the managerial remuneration.

During the year under review salaries/wages of employees other than the managerial personnel in F.Y. 2022-23 were increased by 2.34%, whereas the said percentage also increased in the managerial remuneration by *9.51%. The remuneration to employees and to managerial personnel commensurate with industry standards & as per nomination & remuneration policy of Company.

*Excluding Commission

(VI) It is hereby affirmed that the remuneration paid during the F.Y. 2022-23 is as per the Remuneration Policy of Company.

For and on behalf of the Board

Sd/-

(Ashish Bagrodia)

Chairman & Managing Director

DIN-00047021

Place: Chandigarh

Date: 08.08.2023

"Annexure - IV"

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

i	ii	iii	iv	v	vi	vii	viii	ix	x	xi
Name	Designation	Remuneration received	Nature of employment	Qualifications	Experience	Commencement of employment	Age	Last employment held	Percentage of equity shares held in Company	Whether such employee is a relative of any director or manager of the company
Shri Ashish Bagrodia	CMD	₹148.95 Lacs	Whole Time	B.E. (Mech.) Hons.	28 years	01 st October 1996	53 years	NIL	0.25% (49220 Shares)	-
Shri Anil Kumar Sharma	Executive Director & CEO	₹94.43 Lacs	Whole Time	B.Tech & MBA	43 years	01 st October 1985	69 years	Mahavir Spinning Mills Ltd.	Nil	N.A.
Top Ten Employees of the Company (Remuneration Wise)										
Shri Anil Kumar Sharma	Executive Director & CEO	₹94.43 Lacs	Whole Time	B.Tech & MBA	43 years	01 st October 1985	69 years	Mahavir Spinning Mills Ltd.	Nil	N.A.
Shri Sanjiv Vikram Dutt	SVP- Raw Material	₹42.77 Lacs	Whole Time	Graduate	34 years	30 April 2007	53 years	Ginni Filaments Ltd.	Nil	N.A.
Shri Sanjay Kedia	SVP- CFO	₹43.69 Lacs	Whole Time	B.Com, CA	23 years	21 st May 2009	48 years	Limtex Group	Nil	N.A.
Shri Alok Mishra	SVP-Exports	₹43.16 Lacs	Whole Time	Masters in International Business	26 years	21 st January 2009	51 years	Indorama Synthetics TBK	Nil	N.A.
Shri Vipin Bathla	SVP-Marketing	₹41.22 Lacs	Whole Time	MBA	27 years	11 th April 2011	51 years	Spentex Ind Ltd.	Nil	N.A.
Shri Jugal Kishor Sharma	SVP-Technical	₹40.26 Lacs	Whole Time	Diploma in Textile Tech.	34 years	1 st May 1998	54 years	Shreyans Spinning Mills	Nil	N.A.
Shri Amit Kumar Yadav	AVP-Dye House	₹37.16 Lacs	Whole Time	B. Tech Textile Chemistry	18 Years	02-Jul-2012	41 years	Sainath Texport Limited	Nil	N.A.
Shri Harjeet Singh Rana	VP- HR	₹34.11 Lacs	Whole Time	BA, LLB, PG-HR & MBA	27 Years	09-Aug-2016	52 Years	Hero Cycles Ltd.	Nil	N.A.
Shri Suresh Rameja	AVP-Prod.	₹35.31 Lacs	Whole Time	Diploma in Textile Tech.	31 years	03-Aug-2016	52 years	Arham Spinning Mills	Nil	N.A.
Shri Raj Kumar Sharma	Sr. GM-IT	₹33.18 Lacs	Whole Time	Msc (CS), MCA & MBA	28 Years	18-March-2013	51 Years	Paayas Milk Producer Co. Ltd.	Nil	N.A.

*Excludes Commission of ₹35.87 Lacs.

For and on behalf of the Board

Sd/-

(Ashish Bagrodia)

Chairman & Managing Director
DIN-00047021

Place: Chandigarh
Date: 08.08.2023

“Annexure - V”

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 is making continuous efforts on ongoing basis for energy conservation by adopting innovative measures to reduce wastage and optimize consumption. All efforts are made for installing energy saving devices wherever required by the Company. Some of major initiatives are like:

- (a) Installation of 02 no. LED flame proof Lamp 30W in Godown instead of Lamps 2*36W with an investment of ₹5850/- which saved 207.50 KWH/per annum resulting in power saving of ₹1141/-.
- (b) Installation of 06 nos of 1200 spindle make texpart-CS1 in Ring Frame- 03,12,13,14,15,16 in Shed-1&2 with an investment of ₹5436000/- which saved 57767 KWH/per annum resulting in power saving of ₹317717/-.
- (c) Installation of 230 nos. LED light tube rod 18W in Canteen, R/F H-Plant, new TFO & packing area with an investment of ₹87400/- which saved 26046.24 KWH/per annum resulting in power saving of ₹143254/-.
- (d) Installation of 12 nos. of LED Street lights 50W in place of Metal Helide 150W in ETP, D/H & street light with an investment of ₹13620/-which saved 2125 KWH/per annum resulting in power saving of ₹11689/-
- (e) Installation of 23 nos. of LED Street lights 100W in place of Metal Helide 250W in Street Light & D/H, with an investment of ₹35768/-which saved 5519.25 KWH/per annum resulting in power saving of ₹30356/-.
- (f) Installation of 6 nos. of LED Street lights 30W in place of Metal Helide 150W in 66KV Switch Yard with an investment of ₹5100/-which saved 1425.60 KWH/per annum resulting in power saving of ₹7841/-.

(g) Installation of 14 Panel LED Down Lighter 12W, 4000K, Square in place of CFL 18*2W IN Admin area with an investment of ₹10080/-which saved 521.14 KWH/per annum resulting in power saving of ₹2866/-.

(h) Installation of 15 nos. LED light tube rod 20W in Admin block with an investment of ₹3225/- which saved 957.60 KWH/per annum resulting in power saving of ₹5267/-.

(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.

Apart from Grid power, DG sets a standby power. Further, Company has also used another source of energy of Captive power from Manuni HEP 3.5MW through Open access system.

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

The capital investment on energy conservation equipment's was ₹55.97 Lacs.

(B) TECHNOLOGY ABSORPTION :-

(i) Efforts made towards technology absorption :-

- (a) New Ring Frames (LRJ9SX) machines: 02 no purchased, with smart technology having measure such as energy saving and high productivity.
- (b) New Draw Frames Rieter D26: 03 nos purchased, with latest technology to increase the production.
- (c) New Speed Frame Zinser 5M: 02 no, (m/c 1 & 2), state of art machine purchased, with latest technology having measure such as energy saving and high productivity.

(d) Company has installed TEXPART Spindle CS-1 on three Ring Frames (3, 12, 13, 14, 15 & 16) having 1200 spindles to enhance power saving & getting better yarn quality.

(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	(₹ In lacs)
Capital	8.30
Revenue	759.89
Total	768.19
Total R&D Expenditure as a percentage of Total Turnover =	0.88 %

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Foreign Exchange earned in terms of actual inflows during F.Y. 2022-23 ₹37808.91 lacs.

The Foreign Exchange outgo in terms of actual outflows during F.Y. 2022-23 ₹1746.22 lacs

For and on behalf of the Board

Sd/-

(Ashish Bagrodia)

Chairman & Managing Director

DIN-00047021

Place: Chandigarh

Date: 08.08.2023

“Annexure - VI”

Annual Report on Corporate Social Responsibility (CSR) activities for F.Y. 2022-2023

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) rules, 2014]

1. Brief outline on CSR Policy of the Company.

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, society and environment. Corporate Social Responsibility (CSR) policy has been framed under provisions of Section 135 of Companies Act 2013 & rules made there under which have 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 activities.
- 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/society. In pursuance to CSR Policy, Company has decided to undertake all or any of prescribed activities/activity/sub-activity, as mentioned in Schedule VII of the Companies Act 2013 and rules made thereunder, (as amended), either directly or through Winsome Textile Social Trust. Winsome Textile Social Trust is established by the Company for carrying out CSR activities of the Company as per the provisions of section 135 and Schedule VII of the Companies Act, 2013 and rules made there under as amended and also fulfills the criteria laid down under Companies (CSR Policy) Rules 2014. The Corporate Social Responsibility (CSR) Committee of Company constituted under provisions of section 135 of Companies Act 2013 and rules made thereunder regularly monitor/review the CSR activities, its mechanism on quarterly basis. CSR policy is available on Company's website at weblink: <http://www.winsometextile.com/files/pdf/68-224-file.pdf>

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
(i)	Mr. Ashish Bagrodia	Chairman and Managing Director- Chairman of Committee	4	4
(ii)	Mr. Anil Kumar Sharma [#]	Executive Director and CEO – Member of Committee	2	2
(iii)	Mrs. Neena Singh	Independent Director- Member of Committee	4	4
(iv)	Mr. Arun Kumar Basu [*]	Independent Director- Member of Committee	2	2

[#]Mr Anil Kumar Sharma inducted as a new member of CSR Committee due to reconstitution w.e.f. 24.09.2022

^{*}Mr Arun Kumar Basu ceased to be member of committee due to resignation on 29.08.2022

3. The web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company : <http://www.winsometextile.com/investors-information>
4. The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. : Not Applicable
5. (a) Average net profit of the company as per sub-section (5) of section 135. : 2177.85
 (b) Two percent of average net profit of the company as per sub-section (5) of section 135. : 43.56 Lacs
 (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. : Nil
 (d) Amount required to be set-off for the financial year, if any. : 43.56 Lacs
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)]. : Nil
 (f) Balance Cumulative amount (up to 31.03.2023) available for set-off in succeeding Financial Years : 39.74 Lacs
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). : 72.49 Lacs
 (b) Amount spent in Administrative Overheads. : 0.24 Lacs
 (c) Amount spent on Impact Assessment, if applicable. : Not Applicable
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. : 72.73 Lacs
 (e) CSR amount spent or unspent for the Financial Year :

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
72.49 Lacs	NIL	NA	NA	NIL	NA

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

Sl. No.	Particular	Amount (in ₹ Lacs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	43.56
(ii)	Total amount spent for the Financial Year	72.49
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	28.93
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	28.93

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY-1	NIL	NIL	NA	NIL	NA	NIL	NA
2	FY-2	NIL	NIL	NA	NIL	NA	NIL	NA
3	FY-3	NIL	NIL	NA	NIL	NA	NIL	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year : **No**

If Yes, enter the number of Capital assets created/ acquired :

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
NA							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/ Municipal Corporation/Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135 : Not Applicable

Place: Chandigarh
Date: 08.08.2023

Sd/-
(Ashish Bagrodia)
Chairman & Managing Director
(Chairman CSR Committee)

Sd/-
Anil Kumar Sharma
Executive Director and CEO

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The principles of Corporate Governance are based on transparency, accountability and focus on the sustainable success of the Company over the long-term. The Company's philosophy on corporate governance oversees business strategies, ensures fiscal accountability, ethical corporate behavior, fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company has established procedures and systems to be fully compliant with the requirements stipulated by the Securities and Exchange Board of India under the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ["SEBI (LODR) Regulations"]. The principles governing the disclosures and obligations have been implemented in a manner so as to achieve the objectives of Corporate Governance.

Strong leadership and effective corporate governance practices have been the Company's hallmark inherited from the winsome culture and ethos. The Company has a strong legacy of fair, transparent and ethical governance practices.

The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ("the Act"). The Company's corporate governance philosophy has been further strengthened by the Winsome Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ("Insider Trading Code").

2. THE BOARD OF DIRECTORS

The Board of your Company has an optimum combination of Executive and Non-Executive Directors so as to have a balanced structure. As on 31st March 2023, the Board of Directors consists of Six Directors, out of which one is Promoter Director (Executive Chairman & Managing Director), one is Executive Director & CEO (Whole Time Director) and four are Non-Executive-Independent Directors out of which there are two Women Directors. 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 2022-2023, Six Board Meetings were held. These meetings were held on 16th May, 2022, 30th June, 2022, 09th August, 2022, 24th September, 2022, 10th November, 2022, 11th February, 2023. As stipulated by Code of Independent Directors under Companies Act 2013 and under Listing Regulations, a Separate Meeting of Independent Directors was held on 11th February, 2023 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.

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 as under:

Name of Director	Position	Category	Attendance Particulars		Directorship in Other Companies	Membership/Chairmanship of the Committees of the Board in Other Companies [#]			List of Directorship held in other Listed Companies and Category of Directorship
			Board Meeting	Last AGM		Member-ship	Chairman-ship	Total	
^Sh. Ashish Bagrodia	Chairman & MD	Promoter-Executive	6	Yes	1	-	-	-	-
Smt. Neena Singh	Director	Independent	6	Yes	-	-	-	-	-
Smt. Manju Lakhanpal	Director	Independent	6	Yes	3	3	1	4	SAB Industries Limited (Independent Non-Executive Director) Steel Strips Infrastructure Ltd. (Independent Non-Executive Director)
Shri Arun Kumar Basu [*]	Director	Independent	3	No	-	-	-	-	-
Shri Umesh Chander Sharma	Director	Independent	6	Yes	-	-	-	-	-
Shri Kapil Khanna	Director	Independent	5	No	-	-	-	-	-
Shri Anil Kumar Sharma [§]	Executive Director & CEO	Executive	6	Yes	4 [*]	1	3	4	Majestic Auto Limited (Independent Non-Executive Director)

Note:- The Board Committees have been reconstituted w.e.f. 24th September 2022 due to change in Board of Directors.

^{*} Directorship includes Private Limited Companies also.

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

[^] Shri Ashish Bagrodia, Chairman & Managing Director shall be liable to retire by rotation at the ensuing General Meeting, being eligible, he has offered himself for re-appointment.

[§] Shri Anil Kumar Sharma, Executive Director and CEO shall be liable to retire by rotation at the ensuing General Meeting, being eligible, he has offered himself for re-appointment.

^{*} Shri Arun Kumar Basu resigned from the position of Independent Director w.e.f. 29th August 2022.

The Board has identified the following skills/expertise/competencies fundamentals for the effective functioning of the Company which are currently available with the Board:

Leadership:-	Extant leadership experience for a significant enterprise resulting in a practical understanding of organization processes, strategic planning and risk management Planning succession, driving change and long term growth.
Governance:-	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values
Strategy and Planning:-	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Global Business:-	Understanding, of global business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions.
Gender, ethnic, national, or other diversity:-	Representation of gender, ethnic, geographic, cultural, or other prospective that expand the Board's understanding of the need and viewpoints of our customers, partners, employees, governments and other shareholders worldwide.
Financial :-	Leadership of financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation and financial reporting process, or experience in actively supervising a principle financial officer, principle accounting officer controller, accountant, Auditor or person performing similar function.

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries/ fields from where they come.

In terms of requirement of Listing Regulations, the Board has identified the following skills/expertise/competencies of the Directors as given below. However, the absence of mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Name of the Director	Key Board Qualification		Area of Expertise			
	Leadership	Governance	Strategy and Planning	Global Business	Gender, ethnic, national, or other diversity	Financial
Sh. Ashish Bagrodia, Chairman and Managing Director	√	√	√	√	√	√
Smt. Neena Singh Non-Executive Independent Director	√	√	√	-	√	√
Smt. Manju Lakhanpal Non-Executive Independent Director	√	√	√	-	√	√
*Sh. Arun Kumar Basu, Non-Executive Independent Director	√	√	√	√	√	√
Sh. Kapil Khanna, Non-Executive Independent Director	√	√	√	-	√	√
Sh. Umesh Chander Sharma Non - Executive Independent Director	√	√	√	-	√	√
Sh. Anil Kumar Sharma, Executive Director & CEO	√	√	√	√	√	√

*Ceased to be director w.e.f 29th August, 2022.

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 for necessary action.

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 Executive Director and CEO of the Company to this effect is enclosed at the end of this report.

7. CODE(S) FOR PREVENTION OF INSIDER TRADING

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 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 Executive Director and 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 notes thereon 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 Regulations. 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 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 inter-alia includes approving and implementing the audit procedures, effective supervision of Financial Reporting System, Whistle Blower Mechanism, approval/review of related party transactions, 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.

During the financial year 2022-2023, Five Audit Committee meetings were held on 16th May, 2022, 09th August, 2022, 24th September, 2022, 10th November, 2022 and 11th February, 2023.

The composition, names of members, chairperson, particulars of the meetings and attendance of the members during the financial year are as under:

S. No.	Name of members	Category	No. of meetings attended during the year 2022-2023
1	Sh. Umesh Chander Sharma, Chairman	Independent/ Non-Executive	5
2	Smt. Neena Singh, Member	Independent/ Non-Executive	5
3	Sh. Ashish Bagrodia, Member	Executive Director	5
4	Sh. Kapil Khanna, Member	Independent/ Non-Executive	5

The meetings of Audit Committee were also attended by the Executive Director and CEO, Chief

Financial Officer, Statutory Auditors, Cost Auditors, Secretarial Auditors and Internal Auditors as special invitees. 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 etc.

The Nomination and Remuneration Committee met three times during the financial year ended 31st March, 2023 on 16th May, 2022, 09th August, 2022 and 11th February, 2023. The details of Composition, category and attendance is as under:

S. No.	Name of members	Category	No. of meetings attended during the year 2022-2023
1	Smt. Manju Lakhanpal, Chairman	Independent/ Non-Executive	3
2	Sh. Kapil Khanna, Member	Independent/ Non-Executive	3
3	Sh. Umesh Chander Sharma, Member	Independent/ Non-Executive	3

The Company Secretary acts as Secretary to the Committee.

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, 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. The said policy 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 ₹30000/- for each Board Meeting and ₹15000/- for each committee meeting of Board. The aforesaid sitting fees is within the limits prescribed under Companies Act, 2013 and rules made there under.

The details of remuneration paid during FY 2022-2023 are as hereunder:

Name of Directors	Total (₹ in Lacs)
Sh. Umesh Chander Sharma	3.00
Sh. Kapil Khanna	2.70
Smt. Neena Singh	3.75
Smt. Manju Lakhanpal	2.85
%Sh. Arun Kumar Basu	1.50

%Ceased to be director w.e.f. 29th August 2022

ii) Remuneration of Executive Director(s)

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

Name of Director	Salary	Perquisites*	Commission	Total (₹ in Lacs)
Sh. Ashish Bagrodia	134.40	14.55	35.87	184.82
Sh. Anil Kumar Sharma	86.02	8.41	Nil	94.43

*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 2023. Further, there are no materially significant pecuniary relationships or transactions of Executive Directors vis-a-vis the Company which has potential conflict with the interest of the Company except managerial remuneration during the year under review.

(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 there under i.e. redressing of Shareholders/Investors complaints regarding share transfers, non-receipt of balance sheet/dividend by the shareholders etc. During the financial year 2022-2023, four Stakeholders Relationship Committee meetings were held on 16th May, 2022, 09th August, 2022, 10th November 2022, and 11th February, 2023. The composition of Committee, Chairperson, category of members, number of the meetings and attendance thereat is as under:

S. No.	Name of members	Category	No. of meetings attended during the year 2022-2023
1	Smt. Neena Singh, Chairman	Independent/ Non-Executive	4
2	Sh. Arun Kumar Basu, Member [@]	Independent/ Non-Executive	2
3	Smt. Manju Lakhanpal, Member	Independent/ Non-Executive	4
4	Sh. Anil Kumar Sharma, Member Director	Executive	4

Note: The Stakeholders Relationship Committee was reconstituted during the Financial Year on 24th September 2022

[@]Shri Arun Kumar Basu ceased to be Member of Stakeholders Relationship Committee due to resignation w.e.f. 29th August 2022.

During the financial year, all valid requests for transfer/demat/remat of shares, change of address etc. have been duly effected. During the year, no complaints was received by the Company from its shareholders. Hence no grievance was pending at the end of the financial year. Shri Videshwar Sharma, Company Secretary is the Compliance Officer of the Company and also acts as Secretary to the Committee.

(D) Risk Management Committee

The Company is not required to have a separate Risk Management Committee in terms of SEBI (LODR)

Regulations, 2015, the profile of Risk Management Committee is taken care of by Audit Committee and the Board.

(E) Corporate Social Responsibility (CSR) Committee

The Company has constituted a Corporate Social Responsibility (CSR) Committee under the provisions of Section 135 of Companies Act 2013 & rules made thereunder. The role of CSR Committee includes formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company, recommending the amount of expenditure to be incurred on CSR activities of the Company, reviewing the performance of Company in the areas of CSR.

During the financial year ended 31st March, 2023, the Committee met four times on 16th May, 2022, 09th August, 2022, 10th November 2022, and 11th February, 2023. The composition of Committee, Chairperson, category of members, number of the meetings and attendance thereat is as under:

S. No.	Name of members	Category	No. of meetings attended during the year 2022-2023
1	Shri Ashish Bagrodia, Chairman	Executive Director	4
2	Shri Anil Kumar Sharma, Member [@]	Executive Director	2
3	Smt. Neena Singh, Member	Independent/ Non-Executive	4
4	Sh. Arun Kumar Basu, Member [@]	Independent/ Non-Executive	2

Note: The Corporate Social Responsibility Committee was reconstituted during the Financial year on 24th September 2022

[@]Shri Arun Kumar Basu ceased to be member of Corporate Social Responsibility due to resignation on 29th August 2022 and Shri Anil Kumar Sharma inducted as new member of Corporate Social Responsibility w.e.f. 24th September 2022

The Company Secretary act as secretary to the Committee.

10. GENERAL BODY MEETINGS

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

Year	Venue	Date	Time
2019-2020	1, Industrial Area, Baddi, Distt- Solan (H.P.)	23/12/2020	10.00 A.M.
2020-2021	1, Industrial Area, Baddi, Distt- Solan (H.P.)	27/09/2021	10.00 A.M.
2021-2022	1, Industrial Area, Baddi, Distt- Solan (H.P.)	26/09/2022	10.00 A.M.

Extra Ordinary General Meeting

Extra-ordinary General Meeting was held on 20th June, 2022 during the year 2022-2023.

During the last three years, five special resolution were passed at the Annual General Meeting held on 23.12.2020, one special resolution were passed at Annual General Meeting held on 27.09.2021 and no special resolution were passed at Annual General Meeting held on 26.09.2022. 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. CREDIT RATINGS

Company has obtained rating from CARE Ratings Limited during the year ended 31st March, 2023 details for the same is mentioned as hereunder:-

Rating Agency	Rating	Outlook
CARE Ratings Limited	CARE BBB (Triple B)	Stable

12. 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 there under 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 on quarterly basis for review, although all related party transactions are entered in ordinary course of business and at arm's length basis. There were no materially significant related party transactions, during the year 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.

Suitable disclosures as required by the Accounting Standards are disclosed in Note 18 of Notes to Accounts in the Annual Report. As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is 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 as laid down by Institute of Chartered Accountants of India/NAFRA/MCA, 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

The following fines have been levied by either SEBI or BSE or any Statutory Authority for non-compliance of any matter related to the capital markets during the Financial Year 2021-2022.

The SEBI has imposed a penalty of ₹4.4 Crores on Company, ₹10 lacs on Sh. Satish Girotra (Ex-Director of the Company) and ₹44 Lacs on Sh. Ashish Bagrodia, Chairman and Managing Director of Winsome Textile Industries Limited in GDR matter of Winsome Textile Industries Limited vide order dated 15th December 2021. Although out of the total penalty imposed, company and Sh. Ashish Bagrodia paid 33% of penalty. Sh Satish Girotra paid full amount of penalty imposed on him.. As on date of this report, Appeal(s) against above said order of SEBI have been filed with Securities Appellate Tribunal (SAT) and outcome of said appeal is awaited.

In Addition to the above, SEBI vide order No: Order/MC/HP/2021-22 dated 30/11/2021 has also imposed a fine of ₹10 Lacs on Mr. Ashish Bagrodia as Ex- Director of Winsome Yarns Limited Mr. Ashish Bagrodia, further as a Director of Winsome Yarns Limited, vide SEBI order No: WTM/AB/IVD/ID4 /2/2021-22 dated 26th October, 2021 has also been restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in the securities including units of mutual funds directly or indirectly or being associated with the securities market in any manner whatsoever, for a period of one year from the date of this order.

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

- Total estimated exposure of the Company to Commodities price risk in ₹: 27552.92 Lacs
- Exposure of the Company to various commodities:

Commodity Name	Exposure INR (₹) towards the particular commodity	Exposure in Quantity (Kgs) terms towards the particular Commodity	% of such exposure hedged through commodity derivatives				
			Domestic Market		International Market		Total
			OTC	Exchange	OTC	Exchange	
Raw Material	16,271.57	90,33,951.53	NIL	NIL	NA	NA	NIL
Work In Progress	4,745.53	16,35,000.45	NIL	NIL	NA	NA	NIL
Finished Goods	6,535.82	23,46,431.45	NIL	NIL	NA	NA	NIL

- Commodities risks faced by the Company during the year and how it has been managed:

The commodities risk faced by the company is the risk around price movement in raw cotton and its finished products. Any adverse movement in commodities prices may affect the margin. Similarly any favorable movement in prices can also allow margins to rise.

g) Subsidiary Company

During the year ended 31st March, 2023, neither the Company has any subsidiary nor any material listed/unlisted subsidiary company.

h) Independent Director's Declarations

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board,

the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

i) Disclosures by Senior Management & Key Managerial Personnel

Senior Management and Key Managerial Personnel have made disclosure to the effect confirming that there were no financial or commercial transactions in which they or their relatives had any potential conflict of interest with the Company. Further no employee including key managerial personnel or director or promoter of Company has entered into any agreement for himself or on behalf of any other person, with any shareholder or any other third

party with regard to compensation or profit sharing in connection with dealings in the securities of Company.

j) Unclaimed Equity Shares

During the year under review no unclaimed and unpaid dividend was pending for transfer to IEPF Authority. Although, the unclaimed dividend and shares already transferred to the IEPF Authority by the Company in the previous year can be claimed by the concerned shareholders by approaching the Investor Education and Protection Fund Authority.

k) The Company has complied and disclosed all the mandatory corporate governance requirements under Regulation 17 to 27 and sub-regulation (2) of Regulation 46 of Listing Regulations (relating to disclosure on the website of the Company).

l) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):- Not Applicable.

m) A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority. A Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report.

n) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year:- Not Applicable

o) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Details relating to fees paid to the Statutory Auditors are given in Note 14 to the Standalone Financial Statements.

p) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Under Company's policy on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, status of complaints received at beginning of financial year was Nil, Number of complaints disposed of during the financial year was Nil. Therefore no complaint was pending at the end of financial year.

13. ANNUAL PERFORMANCE EVALUATION

During the year, 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 Annual 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.

14. INDUCTION AND FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

On appointment, a Letter of Appointment is issued to the Independent Directors 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>.

15. 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.

16. DETAILS FOR UNCLAIMED SUSPENSE ACCOUNT FOR UNCLAIMED SHARES

As per Listing Regulations, the details of "Winsome Textile Industries Limited - Unclaimed Suspense Account" are as under:-

Outstanding at the beginning of the year i.e. April 1, 22		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, 23	
No. of Shareholders	No. of Shares			No. of Shareholders	No. of Shares
6	400	NIL	NIL	6	400

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

17. MEANS OF COMMUNICATIONS

The quarterly, half yearly & annual financial results, notices etc. are published in widely circulating national & local dailies newspaper Financial Express and Jansatta (in English and Hindi) editions. The same can also be accessed

15A.SENIOR MANAGEMENT

The names of Senior Management Personnel are as under:

Sr. No.	Name	Designation
1	Sh. Ashsih Bagrodia	Chairman and Managing Director
2	Sh. Anil Kumar Sharma	Executive Director & Chief Executive Officer
3	Sh. Alok Mishra	Senior Vice President (Exports)
4	Sh. J.K. Sharma	Senior Vice President (Production)
5	Sh. S.V. Dutt	Senior Vice President (Raw Materials)
6	Sh. Vipin Bathla	Senior Vice President (Marketing)
7	Sh. Sanjay Kumar Kedia	Senior Vice President (Finance- CFO)
8	Sh. H.S. Rana	Vice President (HR)
9	Sh. Raj Kumar Sharma	Senior General Manager (IT)
10	Sh. Videshwar Sharma	Company Secretary
11	Sh. Ajay Kumar	Senior Manager (Internal Audit)

There was no changes in Senior Management Personnel during financial year. Furthermore, there are no changes therein since the close of the Financial Year.

15B. Disclosure of Certain Types of Agreements Binding Listing Entities

Information disclosed under clause 5A of paragraph A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2023 : Not Applicable

on the website of BSE Limited at www.bseindia.com, as uploaded by company through listing center under Scrip Code '514470'. Furthermore, the same can also be accessed at Company's website i.e. www.winsometextile.com. The Management Discussion and Analysis report forms a part of this Annual Report.

18. GENERAL SHAREHOLDER INFORMATIONS

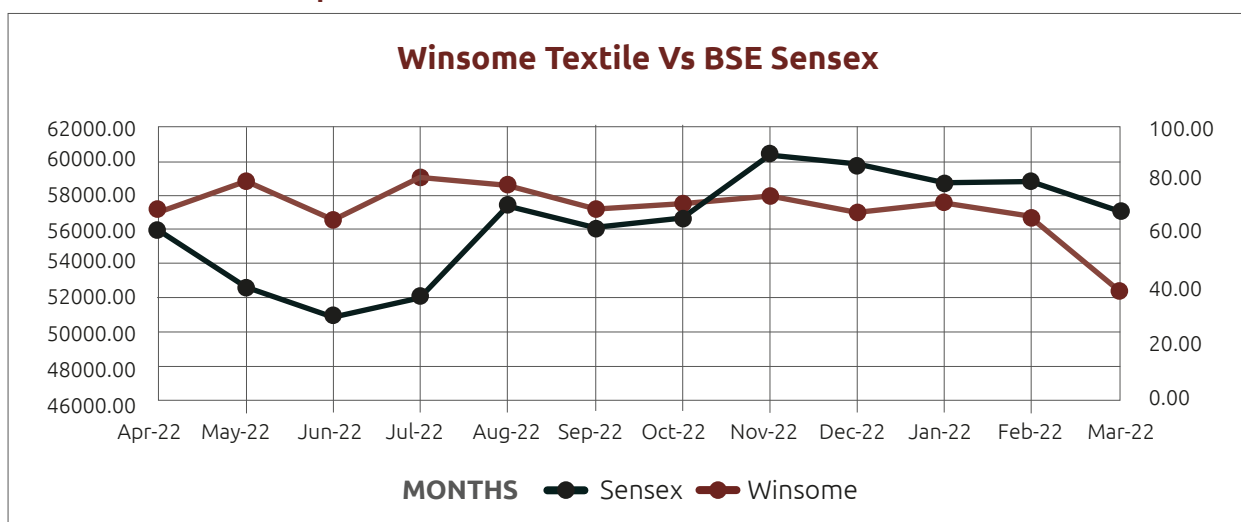
Annual General Meeting at 10:00 A.M. on 21 st September 2023 at Registered Office of Company	: 1, Industrial Area, Baddi, Distt. Solan, Himachal Pradesh.
Financial Calendar	: 01 st April to 31 st March
Date of Book Closure	: 14.09.2023 to 21.09.2023 (both days inclusive)
Dividend Payment Date	: N.A.
Listing on Stock Exchange	: BSE Limited
Scrip Code	: 514470
Demat ISIN Number in NSDL & CDSL	: INE837B01031
Corporate Identity Number (CIN)	: L17115HP1980PLC005647

Annual listing fee for the year 2023-2024 has duly been paid to BSE Limited. 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 2023-2024.

19. Market Price Data – High and Low during each month on BSE in F.Y. 2022-2023. Stock code - 514470 (Source: www.bseindia.com)

Months	High	Low	Volume (No. of Shares)
April, 2022	123.70	69.30	10,31,389
May, 2022	107.00	80.00	3,43,143
June, 2022	100.55	66.50	2,55,217
July, 2022	91.70	81.20	1,18,543
August, 2022	99.70	78.55	2,14,236
September, 2022	99.95	70.00	3,11,259
October, 2022	85.85	72.00	1,56,848
November, 2022	91.40	75.10	2,13,349
December, 2022	85.00	69.05	1,27,977
January, 2023	84.05	72.25	1,06,013
February, 2023	79.45	67.10	1,95,941
March, 2023	80.05	40.06	5,80,026

20. Performance in Comparison to Broad Based Indices



The above chart is based on lowest price

21. Registrar and Share Transfer Agent : Link Intime India Private Limited, Noble Heights, 1st Floor, LCS Near Savitri Market, Janakpuri, New Delhi – 110058, Tele. No. 011-49411000, Fax No. 011-41410591, E-mail : delhi@linkintime.co.in, sunil.mishra@linkintime.co.in

Share Transfer System : In terms of regulation 40(1) of SEBI (Listing Regulations as amended, securities can be transferred only in dematerialized form w.e.f. 01st April, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories/RTA with no involvement of the Company.

Compliance Officer : Shri Videshwar Sharma
E-mail ID's : cswtil@winsometextile.com
secretarial@winsometextile.com

22. Distribution of shareholding as on 31st March, 2023:-

Range of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
001-500	4,159	87.28	4,18,668	2.11
501-1000	279	5.85	2,24,367	1.13
1001-2000	162	3.39	2,43,870	1.23
2001-3000	45	0.96	1,13,831	0.57
3001-4000	29	0.60	1,01,438	0.51
4001-5000	18	0.38	85,708	0.43
5001-10000	23	0.48	1,67,696	0.85
10001 Above	50	1.06	1,84,64,422	93.16
Total	4,765	100.00	1,98,20,000	100.00

23. Shareholding Pattern as on 31st March, 2023:-

Category	No. of shares	Percentage
Promoters/Promoter Group	1,10,38,647	55.69
FII's/ FIC's Banks	64,50,200	32.54
Bodies Corporates	2,07,271	1.05
Indian Public	19,64,890	9.92
HUF	1,12,242	0.57
IEPF	27,484	0.14
NRIs, Clearing Members, Unclaimed Suspense Account & Trust	19,266	0.09
Total	1,98,20,000	100.00

24. Details of shareholding of Directors in the Company as on 31st March, 2023:-

Name of Director	No. of shares held
Sh. Ashish Bagrodia	49,220
Smt. Neena Singh	-
Smt. Maju Lakhanpal	-
Sh. Anil Kumar Sharma	-
Sh. Umesh Chander Sharma	-
Sh. Kapil Khanna	-

- 25. Dematerialization of shares and liquidity** : 99.94% of the shares issued by the Company have been dematerialized upto 31st March, 2023. The Equity Shares of the Company are actively traded on BSE Limited under scrip code 514470
- 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
Village Lunta, Post Office, Khanyara
Tehsil Dharamshala, Distt.- Kangra
Himachal Pradesh -176218
- Address for correspondence : Videshwar Sharma
Company Secretary & Compliance Officer
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 : cswti@winsometextile.com
secretarial@winsometextile.com

For and on behalf of the Board

Sd/-

(Ashish Bagrodia)

Chairman & Managing Director

DIN-00047021

Place: Chandigarh

Date: 08.08.2023

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 Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Company for the year ended 31st March 2023.

Place: Chandigarh
Date : 09.05.2023

sd/-
Anil Kumar Sharma
Executive Director and CEO

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Winsome Textile Industries Limited,
(CIN: L17115HP1980PLC005647)
Regd. Office: 1, Industrial Area, Baddi, Distt Solan,
H.P. -173205.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Winsome Textile Industries Limited having CIN: L17115HP1980PLC005647 and having registered office at 1, Industrial Area, Baddi, Distt Solan, H.P. -173205 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Ashish Bagrodia	00047021	01/10/1996
2	Neena Singh	00233352	27/03/2015
3	Kapil Khanna	03301085	29/03/2022
4	Anil Kumar Sharma	01157106	13/02/2020
5	Manju Lakhanpal	07130592	01/04/2020
6	Arun kumar basu*	08747388	29/05/2020
7	Umesh Chander Sharma	09548942	29/03/2022

*Mr. Arun Kumar Basu, DIN No: 08747388 resigned as Director of the Company w.e.f 29.08.2022.

During the financial year ended on 31st March 2022, The Securities and Exchange Board of India vide its order No: WTM/AB IVD/ID4/14459/2021-22 dated 15-12-2021 restrained the Company, one present and two past Directors from accessing the Securities Market. The Company and said directors were further prohibited from buying, selling, or otherwise dealing in the securities directly or indirectly in any manner from the date of this order for three, two, one and one year respectively. Further, the financial penalties levied vide above mentioned order were on Winsome

Textile Industries Limited, ₹4.4 Crores, Mr. Ashish Bagrodia, CMD ₹44 lacs, Mr. Satish Girotra, Ex-Director ₹10 Lacs and Mr. Manish Bagrodia, Ex Director ₹5 Lacs. Further, the appeal filed by Mr. Ashish Bagrodia against the orders of The Securities and Exchange Board of India order No: Order/MC/HP/2021-22 dated 30th November, 2021 imposing a penalty of ₹10 lacs on him, as Ex-Director of Winsome Yarns Limited with the SAT, has been dismissed and the penalty levied has since been paid. The Outcome of the Appeal No: 348/2022 filed with the Securities Appellate Tribunal, Mumbai by the company and its Directors(s) against the Orders of SEBI, is still awaited.

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

Place: Chandigarh
Date: May 09, 2023

Ramesh Bhatia
Practicing Company Secretary
Membership No: FCS2483
CP No: 1917
PR NO: 896
UDIN No : F002483E000273743

CEO AND CFO CERTIFICATION

To,
The Members of
Winsome Textile Industries Limited,

- (a) We have reviewed the financial statements and the cash flow statement of Winsome Textile Industries Ltd. for the year ended 31st March, 2023 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) significant changes, if any, in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the Financial Statements; and
 - (iii) that there are no instances of significant fraud of which we have become aware.

Yours sincerely

Place: Chandigarh
Date : 09.05.2023

Sd/-
Anil Kumar Sharma
Executive Director and CEO

sd/-
Sanjay Kumar Kedia
Chief Financial Officer

**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,
(CIN: L17115HP1980PLC005647)
Regd. Office: 1, Industrial Area, Baddi, Distt Solan,
H.P. -173205.

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, 2023 as stipulated in Regulation E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 for the financial year ended on 31st March, 2023.

The compliance of conditions of Corporate Governance is the responsibility of the management. My, examination was limited to the procedures and implementation thereof. This certificate 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.

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.

During the financial year ended on 31st March 2022, The Securities and Exchange Board of India vide its order No: WTM/AB IVD/ID4/14459/ 2021-22 dated 15-12-2021 restrained the Company, one present and two past Directors from accessing the Securities Market. The Company and said directors were further prohibited from buying, selling, or otherwise dealing in the securities directly or indirectly in any manner from the date of this order for three, two, one and one year respectively. Further, the financial penalties levied vide above mentioned order were on Winsome Textile Industries Limited, ₹4.4 Crores, Mr. Ashish Bagrodia, CMD ₹44 lacs, Mr. Satish Girotra, Ex-Director ₹10 Lacs and Mr. Manish Bagrodia, Ex-Director ₹5 Lacs. Further, the appeal filed by Mr. Ashish Bagrodia against the orders of The Securities and Exchange Board of India order No: Order/MC/HP/2021-22 dated 30th November, 2021 imposing a penalty of ₹10 lacs on him, as Ex-Director of Winsome Yarns Limited with the SAT has been dismissed and the penalty levied has since been paid. The Outcome of the Appeal No: 348/2022 filed with the Securities Appellate Tribunal, Mumbai by the company and its Directors(s) against the Orders of SEBI, is still awaited.

I state that in respect of investor grievance (s) received during the year ended March, 31, 2023, no investor grievances are pending against the Company, as per the records maintained by the Company and presented to the Investors/ Stakeholders Relationship Committee.

Place: Chandigarh
Date: May 09, 2023

Ramesh Bhatia
Practicing Company Secretary
Membership No: FCS2483
CP No: 1917
PR NO: 896
UDIN No : F002483E000273787

Financial Statements

Independent Auditor's Report

TO THE MEMBERS OF WINSOME TEXTILE INDUSTRIES LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of M/s Winsome Textile Industries Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flow for the year on that date, and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs (financial position) of the Company as at March 31, 2023, and its Profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code

of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Inventories (refer note 4.1 to the financial statements)

Key Audit Matter	How the matter was addressed in our audit
<p>Inventories held by the Company comprising of Raw Material, Work-in-Progress, Finished Goods and Others represents 37.74% of the Company's total assets.</p> <p>Under Ind AS, the Company is required to measure inventory at lower of Cost or Net Realizable Value (NRV). However, the raw material and work-in progress is not written down below cost when finished goods are expected to be sold at or above cost.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none">Through discussions with management, we understood the Company's basis of estimated selling price for the goods;

Key Audit Matter	How the matter was addressed in our audit
<p>Assessing NRV</p> <p>Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.</p> <p>The assessment and application of write-down of inventory to NRV are subject to significant judgement by Company.</p> <p>Considering the company's present situation, significant judgements made by the company in light of future market & economic conditions for determination of NRV and considering materiality in context of total assets of the Company, we have considered the valuation of inventory to be the key audit matter.</p>	<ul style="list-style-type: none"> Evaluating the design & testing controls related to Company's review of key estimates, including estimated future selling prices and estimated cost of completion for work-in-progress inventory.

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

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

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

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

Responsibilities of Management and Those charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is

not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may

cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

- (A) 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 and proper returns adequate for the purposes of our audit have been received from one branch not visited by us;
 - c. The management certified financial statement of Company's foreign branch has been incorporated in these financial statements. As informed to us, there is no mandatory requirement of audit of accounts of such foreign branch in accordance with the laws of the country of foreign branch and our opinion on the financial statements, in so far as it relates to the amounts and disclosures included in respect of the said branch and our report in terms of sub-sections (8) of Section 143 of the Act, in so far as it relates to the said branch is based solely on the reports of the management (refer note no. 33 to the notes of accounts).
- Our opinion on the financial statements is not modified in respect of the above matters with respect to our reliance on the work done.
- d. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and returns;
 - e. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
 - f. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company has, to the extent ascertainable, disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 12 to the financial statements;
 - ii. the Company does not have any material foreseeable losses on long term contracts including derivative contracts which would impact its financial position;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
 - iv. (a) the management has represented that, to the best of its knowledge and belief, as disclosed in Note 32(g) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) the management has represented, that, to the best of its knowledge and belief, as disclosed in Note 32(h) to the financial statements, no funds have been received by the Company from any person or

entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under

sub-clause (a) and (b) above, contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year.

- (C) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For **B. CHHAWCHARIA & CO.**
Chartered Accountants
Firm Registration No. 305123E

Abhishek Gupta
Partner
Membership No. 529082

Place: Chandigarh (Camp)
Date: 9th May, 2023

Annexure - A to the Auditors' Report

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

- (i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company is maintaining proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us, the property, plant and equipment 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 assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.
- (e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) According to the information and explanations given to us, the management has conducted physical verification of inventory at various intervals during the year using such procedures which, in our opinion, is reasonable and appropriate having regard to the size of the company and nature of its business. No material discrepancies were noticed on such verification.
- (b) The company has been sanctioned working capital limits in excess of five crore rupees from banks on the basis of security of current assets and according to the information and explanations given to us, the quarterly returns or statements filed by the company with such banks are generally in with the books of accounts of the Company and no material deviation has been observed.
- (iii) According to the information and explanations given to us, the Company has not made any investments in, provided any guarantee or security or granted any secured/unsecured loans to companies, firms, Limited Liability Partnerships or other parties during the year, except loans given to the employees in the ordinary course of the business of the company in accordance with its employee policies.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities made by the company, if any.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended).
- (vi) As certified by a Cost Accountant, the company has maintained cost records for the year under review, as prescribed under sub-section (1) of Section 148 of the Companies Act, 2013 to the extent applicable to the company. We have, however, not made a detailed examination of such records.
- (vii) (a) According to the records of the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, duty of customs, Cess and other statutory dues,

as applicable, and no such statutory dues were outstanding as at the last day of the financial year under review for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income-tax, Goods and Service Tax, duty of customs and cess, as applicable, which have not been deposited on account of any dispute, except the following:

Name of Statute	Nature of Dues	Period	Amount unpaid (In Lacs ₹)	Forum where dispute is pending
HP Sales Tax Act	Entry Tax	F.Y. 2010-11 to 2017-18	452.02	The High Court of Shimla

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no such transactions which were not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to a bank, financial institution or Government.
- (b) According to the information and explanations given to us, the company has not been declared a wilful defaulter by any bank or financial institution or any other lender.
- (c) On the basis of the examination of the books of accounts of the Company and according to information and explanations given to us, in our opinion, the term loans have been applied for the purpose for which such loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been utilised for long term purposes.
- (e) The company does not have any subsidiary, associate or joint venture and hence reporting on clause 3(ix)(e) of the Order is not applicable.
- (f) The company does not have any subsidiary, associate or joint venture and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) In our opinion and according to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year under review.
- (b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year under review.
- (xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company have been noticed or reported during the year under review.
- (b) No report has been filed by us under sub-section (12) of section 143 of the Companies Act, 2013.
- (c) According to the information and explanations given to us, no whistle-blower complaints have been received during the year by the company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting on clauses 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) According to the information and explanations given to us, the company has an internal audit system, which in our opinion, is commensurate with the size of the company and the nature of its business.

- (b) The reports of the Internal Auditors for the year under audit provided to us by the management were considered by us.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) According to the information and explanations given to us and on the basis of the examination of the records of the company, the Company has not conducted any Non-Banking Financial or Housing Finance activities.
- (c) In our opinion, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) According to the information and explanations given to us, the Group does not have more than one CIC as part of the Group.
- (xvii) On an overall examination of the financial statements of the Company, the Company has not incurred cash losses in the financial year under review and in the immediately preceding financial year.
- (xviii) There has not been any resignation of the statutory auditors during the year and hence reporting on clause 3(xviii) of the Order is not applicable.
- (xix) On the basis of overall examination of the financial ratios disclosed in Note 31 to the financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and according to the information and explanations given to us, in our opinion, prima facie, no material uncertainty exists as on the date of the audit report regarding the company's capability to meet its liabilities existing as on the date of the balance sheet, as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to information and explanations given to us, there is no unspent amount towards company's Corporate Social Responsibility obligations in terms of Section 135 of the Companies Act, 2013 and hence, reporting on clauses 3(xx)(a) and 3(xx)(b) of the Order is not applicable.
- (xxi) The company is not required to prepare consolidated financial statements and hence, reporting on clause 3(xxi) of the Order is not applicable.

For **B. CHHAWCHARIA & CO.**
Chartered Accountants
Firm Registration No. 305123E

Abhishek Gupta
Partner

Membership No. 529082

Place: Chandigarh (Camp)
Date: 9th May, 2023

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 31 March 2023 in conjunction with our audit of the 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 and 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, the Company has, in all material respects, an adequate internal financial controls system over

financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, 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.

For **B. CHHAWCHARIA & CO.**
Chartered Accountants
Firm Registration No. 305123E

Abhishek Gupta
Partner
Membership No. 529082

Place: Chandigarh (Camp)
Date: 9th May, 2023

Balance Sheet

As at 31st March, 2023

(₹ in lacs)

Particulars	Notes	As at 31 st March, 2023	As at 31 st March, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	29,298.39	29,990.06
Capital work-in-progress	3.2	880.70	77.66
Intangible Assets	3.3	8.49	12.16
Financial assets	3.4		
- Investments	3.4.1	8.90	8.87
Other non -Current Assets	3.5	996.23	494.47
		31,192.71	30,583.22
Current assets			
Inventories	4.1	28,669.25	25,714.70
Financial assets	4.2		
- Trade receivables	4.2.1	9,273.14	15,540.51
- Cash and cash equivalents	4.2.2	217.20	100.99
- Bank Balances other than Cash and Cash Equivalents	4.2.3	2,671.44	2,578.12
- Loans	4.2.4	28.87	34.64
- Other financial assets	4.2.5	29.99	7.24
Current tax assets (Net)	4.3	-	54.70
Other current assets	4.4	3,878.01	4,738.92
		44,767.90	48,769.82
Total Assets		75,960.61	79,353.04
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	5.1	1,982.00	1,982.00
Other Equity	5.2	23,640.72	21,199.53
		25,622.72	23,181.53
LIABILITIES			
Non-current liabilities			
Financial liabilities	6.1		
- Borrowings	6.1.1	12,492.54	15,275.38
Non - Current Provisions	6.2	473.07	537.36
Deferred tax liabilities (Net)	6.3	3,476.54	3,515.73
Other non-current liabilities	6.4	286.51	275.86
		16,728.66	19,604.33
Current liabilities			
Financial liabilities	7.1		
- Borrowings	7.1.1	15,317.90	15,367.31
- Trade payables	7.1.2		
(a) Dues of micro & small enterprises		-	-
(b) Dues of creditors other than micro & small enterprises		14,351.03	16,708.49
- Other financial liabilities	7.1.3	2,523.79	3,320.56
Other current liabilities	7.2	1,079.22	953.01
Current Provisions	7.3	337.29	217.81
		33,609.23	36,567.18
Total Equity and Liabilities		75,960.61	79,353.04
Corporate Information & Significant Accounting Policies	1 & 2		
Accompanying notes to the financial statements	3 to 36		

The Notes referred to above form an integral part of the accounts.
In terms of our report of even date attached herewith.

For **B. CHHAWCHHARIA & CO.**
Chartered Accountants
Firm Registration No: 305123E

Abhishek Gupta
Partner
Membership No: 529082

Place: Chandigarh
Date: 9th May, 2023

Ashish Bagrodia
(Chairman Cum
Managing Director)
DIN -00047021

Anil Kumar Sharma
(Executive Director Cum
Chief Executive Officer)
DIN -01157106

Sanjay Kumar Kedia
(Chief Financial Officer)

Videshwar Sharma
(Company Secretary)

Statement of Profit & Loss

For the year ended 31st March, 2023

(₹ in lacs)

Particulars	Notes	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Revenue from Operations	8.1	87,603.09	95,553.18
Other Income	8.2	188.04	264.41
Total Income		87,791.13	95,817.59
Expenses			
Cost of Material Consumed	9.1	60,734.56	58,991.58
Purchase of Stock in trade	9.2	-	508.41
Changes in Inventories	9.3	(2533.05)	1,062.77
Employee Benefits Expense	9.4	7,088.97	6,718.82
Finance Costs	9.5	3,885.09	4,269.34
Depreciation & Amortization Expenses	9.6	2,156.78	2,141.28
Other Expenses	9.7	13,007.78	14,570.59
Total Expenses		84,340.13	88,262.79
Profit before exceptional items and tax		3,451.00	7,554.80
Exceptional items	9.8	-	568.37
Profit before tax		3,451.00	6,986.43
Tax Expense:	10		
Current Tax		1,034.84	4,001.00
Deferred Tax		(35.63)	(1,563.22)
		999.21	2,437.78
Profit for the year		2,451.79	4,548.65
Other comprehensive income			
A) Items that will not be reclassified to profit or loss			
- Changes in fair value of Equity Instruments		0.03	1.07
- Tax Expense relating to above		(0.01)	(0.37)
- Remeasurement of net defined benefit liabilities		(14.19)	19.40
- Tax Expense relating to above items		3.57	(6.78)
B) Items that will be reclassified to profit or loss		-	-
Other comprehensive income/(loss) for the year		(10.60)	13.32
Total comprehensive income for the year		2,441.19	4,561.97
Earnings per equity share			
Basic & Diluted	19	12.32	23.02

The Notes referred to above form an integral part of the accounts.
In terms of our report of even date attached herewith.

For **B. CHHAWCHHARIA & CO.**
Chartered Accountants
Firm Registration No: 305123E

Abhishek Gupta
Partner
Membership No: 529082

Place: Chandigarh
Date: 9th May, 2023

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Sanjay Kumar Kedia
(Chief Financial Officer)

Videshwar Sharma
(Company Secretary)

Cash Flow Statement

For the year ended 31st March, 2023

(₹ in lacs)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit/(loss) before tax and extraordinary items	3,451.00	6,986.43
Adjusted for :		
Depreciation	2,156.78	2,141.28
Provision for Doubtful Debts	-	584.24
Bad debt written off	-	125.44
Interest Paid	3,885.09	4,269.34
Loss on disposal of property, plant & equipment (Net)	(48.64)	52.09
Dividend Income	(0.62)	(0.42)
Interest income	(145.41)	(139.00)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	9,298.20	14,019.40
Adjusted for :		
Trade and other receivables	6,988.53	(6,125.86)
Inventories	(2,954.55)	(4,142.72)
Trade Payables and advances from customers	(3,036.66)	169.90
CASH GENERATED FROM OPERATIONS	10,295.52	3,920.72
Direct Taxes paid / adjusted	(919.85)	(1,316.09)
Cash flow before extra ordinary items	9,375.67	2,604.63
Extra Ordinary items	-	-
Net cash from Operating activities (A)	9,375.67	2,604.63
CASH FLOW FROM INVESTING ACTIVITIES :		
Net Changes in fixed assets	(2,349.79)	(1,835.94)
Sale of fixed assets	133.95	21.84
Capital Advances	(472.31)	(124.47)
Dividend Income	0.62	0.42
Interest Income	145.41	139.00
Net Cash from investing activities (B)	(2,542.12)	(1,799.15)
CASH FLOW FROM FINANCING ACTIVITIES :		
Interest paid	(3,885.09)	(4,269.34)
Net Proceeds/(Repayment) of Long Term Borrowings	(1,838.00)	10,152.89
Net Proceeds/(Repayment) from Short term Borrowings	(994.25)	(6,629.72)
Net Cash from Financing activities (C)	(6,717.34)	(746.17)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+ B+ C)	116.21	59.31
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	100.99	41.68
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	217.20	100.99
01. Proceeds from long term and other borrowings are shown net of repayment.		
02. Cash and Cash equivalents represent cash and bank balances only.		

The Notes referred to above form an integral part of the accounts.
In terms of our report of even date attached herewith.

For **B. CHHAWCHHARIA & CO.**
Chartered Accountants
Firm Registration No: 305123E

Abhishek Gupta
Partner
Membership No: 529082

Place: Chandigarh
Date: 9th May, 2023

Ashish Bagrodia
(Chairman Cum
Managing Director)
DIN -00047021

Anil Kumar Sharma
(Executive Director Cum
Chief Executive Officer)
DIN -01157106

Sanjay Kumar Kedia
(Chief Financial Officer)

Videshwar Sharma
(Company Secretary)

Statement of Changes in Equity

For the year ended 31st March, 2023

EQUITY SHARE CAPITAL

(₹ in lacs)

Particulars	Notes	As at 31 st March, 2022	Changes during 2022-2023	As at 31 st March, 2023
1,98,20,000 Equity shares of ₹10/- each fully paid up	5.1	1982.00	-	1982.00
		1982.00	-	1982.00

Other Equity

(₹ in lacs)

Particulars	Notes		Reserves and Surplus		Equity Investment Reserve (upon fair value through other comprehensive income)	Total	
	5.2	Capital Reserve	Securities Premium	Retained Earnings General Reserve Surplus in the statement of Profit and Loss			
Balance as at 01.04.2021		46.68	5,131.46	8,500.00	2,955.74	3.68	16,637.56
Profit/(Loss) for the year after tax		-	-	-	4,548.65	-	4,548.65
Other comprehensive income for the year		-	-	-	12.62	0.70	13.32
Total comprehensive income for the year		-	-	-	4,561.27	0.70	4,561.97
Transfer to General Reserve		-	-	2,500.00	(2,500.00)	-	-
Balance as at 31.03.2022		46.68	5,131.46	11,000.00	5,017.01	4.38	21,199.53
Balance as at 01.04.2022		46.68	5,131.46	11,000.00	5,017.01	4.38	21,199.53
Profit/(Loss) for the year after tax		-	-	-	2,451.79	-	2,451.79
Other comprehensive income for the year		-	-	-	(10.62)	0.02	(10.60)
Total comprehensive income for the year		-	-	-	2,441.17	0.02	2,441.19
Transfer to General Reserve		-	-	2,500.00	(2,500.00)	-	-
Balance as at 31.03.2023		46.68	5,131.46	13,500.00	4,958.18	4.40	23,640.72

The Notes referred to above form an integral part of the accounts.
In terms of our report of even date attached herewith.

For **B. CHHAWCHHARIA & CO.**
Chartered Accountants
Firm Registration No: 305123E

Abhishek Gupta
Partner
Membership No: 529082

Ashish Bagrodia
(Chairman Cum
Managing Director)
DIN -00047021

Anil Kumar Sharma
(Executive Director Cum
Chief Executive Officer)
DIN -01157106

Sanjay Kumar Kedia
(Chief Financial Officer)

Place: Chandigarh
Date: 9th May, 2023

Videshwar Sharma
(Company Secretary)

Notes to the Financial Statement

1. CORPORATE INFORMATION

Winsome Textile Industries Limited ("the Company") is a public limited company domiciled and incorporated under the provisions of the Companies Act, 1956 on 18th September, 1980 in India and its shares are publicly traded on the Bombay Stock Exchange ("BSE"), India. The Registered Office of the company is situated at 1 Industrial Area, Baddi, Solan, Himachal Pradesh – 173205 India and the Corporate office is situated at SCO # 191 - 192, Sector # 34-A, Chandigarh, 160022.

The principal business activity of the company is manufacturing of Cotton Yarn, Cotton Melange, Cotton Blended Dyed Yarn/Fibre, Yarn made of natural and manmade fibre and other fibres, Knitted Fabric and Power generation in Textile Sector.

The financial statements were authorised for issue in accordance with a resolution passed by the Board of Directors on 9th May, 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.2 Basis of preparation of financial Statements

The financial statements of the Company have been prepared on accrual basis in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013.

These financial statements for the year ended 31st March 2023 have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in Indian Rupees ("INR" or "₹") and all amounts are rounded to the nearest lacs, except as stated otherwise.

2.2 Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires management

to make estimates, judgments and assumptions. These estimates, judgments and assumptions effect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 2.23. Accounting estimates could change from period to period. Actual results may differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.3 Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Notes to the Financial Statement

All other liabilities are classified as non-current.

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

2.4 Property, Plant and Equipment

The Company had applied one-time transition exemption of considering the carrying cost on the transition date i.e. 1st April, 2016 as the deemed cost under IND AS and hence regarded thereafter as historical cost.

Leased hold Land is carried at cost less reduction in proportionate annual Lease Rental.

Freehold land and Capital Work in progress is carried at cost. All other items of Property, plant and equipment are stated at cost, less accumulated depreciation. The Cost of an item of Property, Plant and Equipment comprises of:

- (a) its purchase price including freight, duties, and non-refundable purchase taxes after deducting trade discounts and rebates;
- (b) any attributable expenditure directly attributable for bringing an asset to the location and the working condition for its intended use; and
- (c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. Depreciation on addition/sale is provided on Pro-rata basis with reference to the month of addition/sale. The useful lives estimated for the major classes of property, plant and equipment are as follows:

Class of property, plant and equipment	Useful life (in years)
Buildings	3-60
Plant & Machinery	3-25
Furniture & Fixtures	5-10
Vehicles	8-10
R&D Assets	5-25
Equipments and facilities	3-5
Computer & Networks	3-6

The useful lives have been determined based on technical evaluation done by the management's experts, which in few cases are different than the lives as specified by Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset except in case of plant & machinery where the residual values are not more than 10% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

2.5 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial

Notes to the Financial Statement

recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss.

On transition to Ind AS, the company had elected to continue with the carrying value of all its intangible assets recognised as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised on a straight-line method over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period and adjusted, if appropriate. The useful economic lives estimated for various classes of intangible assets are as follows:

Class of intangible assets	Useful life (in years)
Software	6

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually.

2.6 Inventories

Inventories are valued at cost or net realizable value, whichever is lower except waste which is valued at net realisable value. The cost in respect of the various items of inventory is computed as under:

Raw Materials - At weighted average cost plus direct expenses. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. However, materials and other items held for use in the production of inventories are not written down below cost if the finished product in which they will be incorporated are expected to be sold at or above cost.

Stores and Spares - At weighted average cost plus direct expenses. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Work-in-Progress - At raw material cost plus conversion costs depending upon the stage of completion and other related overhead costs.

Finished Goods - At raw material cost plus conversion costs, packing cost and other overheads incurred to bring the goods to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.7 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity period of twelve months or less from the balance sheet date, which are subject to an insignificant risk of changes in value and is freely available for the company. Bank overdrafts are shown under borrowings in the balance sheet.

Earmarked bank balances and/or short-term deposits which are lien marked against borrowings are shown under the head "Bank balances other than Cash and Cash Equivalent".

2.8 Financial instruments

A. Financial Instruments - Initial recognition and measurement

Financial assets and financial liabilities are recognised in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. The company determines the classification of its financial assets and liabilities at initial recognition. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets and liabilities carried at fair value through the Profit and Loss are immediately recognized in the Statement of Profit and Loss.

B.1. Financial assets - Subsequent measurement

The Subsequent measurement of financial assets depends on their classification which is as follows:

a. Financial assets at fair value through profit or loss

Financial assets at fair value through profit and loss include financial assets held for sale in the

Notes to the Financial Statement

near term and those designated upon initial recognition at fair value through profit or loss.

b. Financial assets measured at amortised cost

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts based on the ageing of the receivables balance and historical experience. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

c. Financial assets at fair value through OCI

All equity investments, except investments in subsidiaries, joint ventures and associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive Income (OCI). The company makes an irrevocable election on an instrument-by-instrument basis to present in other comprehensive income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable. If the company decides to designate an equity instrument at fair value through OCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

B.2. Financial assets –De-recognition

The company derecognises a financial asset when the contractual rights to the cash flows from the assets expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

Upon de-recognition of equity instruments designated at fair value through OCI, the associated fair value changes of that equity instrument are transferred from OCI to Retained Earnings.

C.1. Financial liabilities –Subsequent measurement

The Subsequent measurement of financial liabilities depends on their classification which is as follows:

a. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading, if any.

b. Financial liabilities measured at amortised cost

Interest bearing loans and borrowings of the company are subsequently measured at amortised cost using the effective interest rate method (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortised is included in finance costs in the statement of profit and loss.

C.2. Financial liabilities –De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or expires.

D. Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position, if and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

E. Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss. Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred.

Notes to the Financial Statement

Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in Exchange Rate Variation Gain. Assets/ liabilities in this category are presented as current assets/ current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

F. Fair value measurement

The company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the assets or liability or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company.

The company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.9 Government Grants

The government grants are recognized only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to assets are treated as deferred income and are recognized in the statement of profit and loss on a systematic and rational basis over the useful life of the asset.

Government grants related to revenue are recognized on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

2.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally

through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets classified as held for sale and their related liabilities are presented separately in the balance sheet. Non-current assets are not depreciated or amortised while they are classified as held for sale.

2.11 Provisions, Contingent Liabilities and Contingent Assets

A provision shall be recognised when:

- (a) an entity has a present obligation as a result of a past event;
- (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (c) a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent liability is not recognised but disclosed in the notes to the accounts, unless the probability of an outflow of resources is remote.

A contingent asset is generally neither recognised nor disclosed.

2.12 Revenue Recognition

Effective April 1, 2018, the company adopted Ind AS 115, "Revenue from contracts with customers". The effect of adoption of Ind AS 115 was insignificant. The following is a summary of significant accounting policies related to revenue recognition.

Revenue is recognised upon transfer of control of promised product or services to customer in an amount that reflects the consideration the company expects to receive in exchange for those

Notes to the Financial Statement

product or service, regardless of when the payment is received. Revenue is measured at the Transaction price, excluding amounts collected on behalf of the third parties. The amount disclosed as revenue is net of returns, trade discounts, volume rebates, Goods and Services Tax. The company recognizes revenue when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity.

The specific recognition criteria for the various types of the company's activities are described below:

(i) Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the goods are transferred to the customers, the customer has full discretion over the channel and price to sell the products, there is no unfulfilled obligation that could affect the customer's acceptance of the products and the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. The said conditions are generally fulfilled upon delivery of goods to the customers.

Delivery occurs when the goods have been shipped to the specific location, the risks and rewards of obsolescence and loss have been transferred to the customer, and either the customer has accepted the goods in accordance with the sale contract, the acceptance provisions have lapsed, or the company has objective evidence that all criteria for acceptance have been satisfied.

(ii) Services

Revenue from sale of services is recognised on the basis of the stage of completion. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

(iii) Export Incentives

Revenue in respect of the export incentives incentives are recognized on accrual basis in

the period in which the related exports have been made.

Revenue in respect of the RoDTEP export incentives are recognized in the period in which the related exports have been made based at an estimated value based on historical realisations, taking into consideration the type of transaction and the specifics of each arrangement.

(iv) Power Generation

Sale of power is recognised on the basis of meter reading confirmed by buyers in accordance with the respective agreement.

Renewable Energy Certificate are accounted for on certification of energy sale quantity by the buyer and is valued at minimum sale price fixed by Central Electricity Regulatory Authority after adjusting expected outgo.

(v) Interest

Income from interest is recognized using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

(vi) Dividend

Dividend income is recognized when the right to receive the payment is established.

(vii) Insurance and other claims are recognized when no significant uncertainty exists with regard to ultimate collection thereof, and same is adjusted from corresponding heads of expense.

2.13 Employees Benefits

(i) Short term Employee Benefits:

Liabilities for wages, salaries and other employee benefits that are expected to be settled within twelve months of rendering the service by the

Notes to the Financial Statement

employees are classified as short term employee benefits. Such short term employee benefits are measured at the amounts expected to be paid when the liabilities are settled. Short Term Employee Benefits are recognized as an expense on an undiscounted basis in the statement of profit and loss of the year in which the related service is rendered.

(ii) Post Employment Benefits

(a) Defined Contribution Plans:

Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

(b) Defined Benefit Plans

Gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of the Company. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method.

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised in Other Comprehensive Income

which are not reclassified to profit or loss in subsequent periods.

(iii) Long-term employee benefits

The liability of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using Projected Unit Credit Method.

2.14 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.15 Foreign Currency Transactions

The foreign currency transactions are recorded, on initial recognition in the functional currency (i.e. Indian Rupee), by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. The foreign currency monetary items are translated using the closing rate at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognised in profit or loss in the period in which they arise.

Foreign exchange differences recorded as an adjustment to borrowing costs are presented in the statement of profit and loss, as a part of finance cost. All other foreign exchange gains and losses are presented in the statement of profit and loss on net basis.

In respect of foreign branch, which is in the nature of integral foreign operations, all transactions are

Notes to the Financial Statement

translated using the exchange rate at the date of the transaction. The translation of monetary assets and liabilities is performed using the exchange rate in effect at the balance sheet date. Fixed assets are translated as at the date of transaction. Depreciation is translated at the rates applied for translation of fixed assets.

2.16 Leases

Effective from April 1, 2019 the company adopted Ind AS 116, "Leases". The effect of adoption of Ind AS 116 was insignificant. The following is a summary of significant accounting policies related to Leases.

A. Company as a Lessee

The Company assesses whether a contract contains a lease at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The company applies a single recognition and measurement approach for all leases, except for leasehold land, short-term leases and leases of low-value. For short-term and leases of low value, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

Leasehold land is carried at the acquisition cost i.e. one-time lease premium paid at the time of acquisition of leasehold rights. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is amortized over the shorter of the estimated useful life of the asset and the lease term. For all other leases, the Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at

or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Right-of-use assets are included in the Leased Assets and lease liabilities are included in other current and non-current financial liabilities in the balance sheet. Lease payments have been classified as financing cash flows in the Statement of Profit and Loss.

B. Company as a Lessor

Leases for which the company is a lessor is classified as finance or operating leases. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term, unless the receipts are structured to increase in line with expected general inflation.

2.17 Income Taxes

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case it is also recognized in equity or other comprehensive income respectively.

Notes to the Financial Statement

Current Taxes:

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred Taxes:

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets and liabilities are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternate Tax credit is recognised as a tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date

and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.18 Impairment of assets

a) Financial assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.

b) Non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not

Notes to the Financial Statement

exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.19 Earnings per Share

The Basic earnings per share (EPS) is calculated by dividing the net profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share is calculated by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.20 Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

2.21 Cash flow statement

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS) - 7 "Statement of Cash flows" using the indirect method for operating activities.

2.22 Exceptional items

Exceptional items refer to items of income or expense within statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the company.

2.23 Critical accounting estimates

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Intangible assets

The company tests whether intangible assets have suffered any impairment on an annual basis. The recoverable amount of a cash generating unit is determined based on value in use calculations which require the use of assumptions.

Trade Receivables

As per Ind AS 109, the company is required to apply expected credit losses model for recognising the provision for doubtful debts. The expected credit losses are determined based on past trends and assumptions.

Employee Benefits

The Union Ministry of Labour issued draft rules under section 67 of the Code on Wages Act in July, 2020 in the Gazette and the Act is yet to be effective. The three labour codes, the Occupational Health, Safety and Working Conditions Code 2020, the Industrial Relations Code 2020 and the Code on Social Security, 2020 have been passed by the parliament and have also received the assent of the President of India on September, 2020. However, the date on which these Codes will come into effect has not been notified. The Company will assess the impact of these Codes and will record any related impact in the period these Codes become effective.

Notes to the Financial Statement

(₹ in lacs)

3.1 PROPERTY, PLANT & EQUIPMENT

Particulars	GROSS BLOCK			As at 31.03.2023	DEPRECIATION			Up to 31.03.2023	NET BLOCK	
	As at 31.03.2022	Addi- tions	Deduc- tions		Up to 31.03.2022	For the year	Adjust- ments		As at 31.03.2023	As at 31.03.2022
Land										
- Freehold	1,810.74	-	-	1,810.74	-	-	-	-	1,810.74	1,810.74
- Leasehold	5.11	-	0.08	5.03	-	-	-	-	5.03	5.11
Building	10,521.49	-	-	10,521.49	2,192.57	313.29	-	2,505.86	8,015.63	8,328.92
Plant & Machinery	29,907.83	1,485.27	134.96	31,258.14	10,707.08	1,751.27	52.06	12,406.29	18,851.85	19,200.75
Furniture & Fixtures	161.04	13.31	2.23	172.12	104.01	14.42	1.84	116.59	55.53	57.03
R & D Assets	665.02	8.30	7.37	665.95	317.68	32.46	5.68	344.46	321.49	347.34
Vehicles	303.86	-	-	303.86	100.75	30.03	-	130.78	173.08	203.11
Equipments & Facilities	62.21	9.65	0.53	71.33	47.53	4.03	0.29	51.27	20.06	14.68
Computers & Networks	81.07	30.15	0.27	110.95	58.69	7.46	0.18	65.97	44.98	22.38
TOTAL	43,518.37	1,546.68	145.44	44,919.61	13,528.31	2,152.96	60.05	15,621.22	29,298.39	
PREVIOUS YEAR FIGURES	42,112.13	1,934.85	528.61	43,518.37	11,845.75	2,137.16	454.60	13,528.31	-	29,990.06

3.2 CAPITAL WORK IN PROGRESS

Particulars	GROSS BLOCK			As at 31.03.2023	DEPRECIATION			Up to 31.03.2023	NET BLOCK	
	As at 31.03.2022	Addi- tions	Deduc- tions		Up to 31.03.2022	For the year	Adjust- ments		As at 31.03.2023	As at 31.03.2022
Capital Work in Progress										
Building	1.88	468.57	-	470.45	-	-	-	-	470.45	1.88
Plant & Machinery	75.78	1,828.04	1,493.57	410.25	-	-	-	-	410.25	75.78
TOTAL	77.66	2,296.61	1,493.57	880.70	-	-	-	-	880.70	-
PREVIOUS YEAR FIGURES	177.49	1,701.11	1,800.94	77.66	-	-	-	-	-	77.66

CWIP ageing schedule:

Particulars	Amount in CWIP for a period of				As at 31.03.2023	As at 31.03.2022
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Projects in progress						
Building		468.57	1.88	-	470.45	1.88
Plant & Machinery		410.25	-	-	410.25	75.78
Projects temporarily suspended		-	-	-	-	-
TOTAL		878.82	1.88	-	880.70	-
PREVIOUS YEAR FIGURES		77.66	-	-	-	77.66

3.3 INTANGIBLE ASSETS

Particulars	GROSS BLOCK			As at 31.03.2023	AMORTIZATION			Up to 31.03.2023	NET BLOCK	
	As at 31.03.2022	Addi- tions	Deduc- tions		Up to 31.03.2022	For the year	Adjust- ments		As at 31.03.2023	As at 31.03.2022
Software	51.66	0.15	-	51.81	39.50	3.82	-	43.32	8.49	12.16
TOTAL	51.66	0.15	-	51.81	39.50	3.82	-	43.32	8.49	-
PREVIOUS YEAR FIGURES	50.66	1.00	-	51.66	35.38	4.12	-	39.50	-	12.16

Notes to the Financial Statement

(₹ in lacs)

3.4 FINANCIAL ASSETS - NON CURRENT

3.4.1 INVESTMENT IN SHARES

	As at 31.03.2023	As at 31.03.2022
Unquoted		
Other Investment		
31000 Equity Shares of ₹10/- each in Shivalik Solid Waste Management Limited	8.90	8.87
	8.90	8.87

3.5 OTHER NON CURRENT ASSETS

	As at 31.03.2023	As at 31.03.2022
Non Financial Assets at amortized cost (unsecured, considered good)		
Security Deposits	97.45	68.00
Capital Advances	898.78	426.47
	996.23	494.47

4.1 INVENTORIES

	As at 31.03.2023	As at 31.03.2022
As taken, valued and certified by the management		
Raw Materials	16,271.57	15,799.57
Stock in Process	4,745.53	4,438.08
Finished Goods #	6,535.82	4,310.22
Stores, Spares & Consumables	965.74	842.04
Waste	150.59	324.79
	28,669.25	25,714.70
#Including Goods-in-Transit	248.57	278.59

4.2 FINANCIAL ASSETS - CURRENT

4.2.1 TRADE RECEIVABLES

	As at 31.03.2023	As at 31.03.2022
Secured - Considered good	5,983.05	11,019.29
Unsecured		
- Considered good - Unsecured	3,126.54	4,357.68
- Which have significant increase in credit risk	166.89	166.88
- Credit Impaired	1,089.44	1,124.37
	10,365.92	16,668.22
Less : Provision for Credit Impaired	1,092.78	1,127.71
	9,273.14	15,540.51

Notes to the Financial Statement

(₹ in lacs)

Trade Receivables ageing schedule

Particulars	Outstanding for following Periods from due date of payment					Total as at 31 st March, 2023
	Less than 6 months	6 months -1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
(i) Undisputed Trade Receivables:						
- Considered Good	9104.45	2.75	2.39	-	-	9109.59
- Which have significant increase in credit risk	-	-	-	-	-	-
- Credit Impaired	-	-	-	-	-	-
(ii) Disputed Trade Receivables:						
- Considered Good	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	151.68	8.38	6.83	166.89
- Credit Impaired	-	-	-	-	1089.44	1089.44

Particulars	Outstanding for following Periods from due date of payment					Total as at 31 st March, 2022
	Less than 6 months	6 months -1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
(i) Undisputed Trade Receivables:						
- Considered Good	15362.54	11.55	2.88	-	-	15376.97
- Which have significant increase in credit risk	-	-	-	-	-	-
- Credit Impaired	-	-	-	-	10.86	10.86
(ii) Disputed Trade Receivables:						
- Considered Good	-	-	-	-	-	-
- Which have significant increase in credit risk	0.02	151.65	8.38	6.68	0.15	166.88
- Credit Impaired	-	-	-	-	1113.51	1113.51

4.2.2 CASH AND CASH EQUIVALENTS

	As at 31.03.2023	As at 31.03.2022
Balances with Scheduled Banks :		
In Current Account	217.20	100.99
Cash-in-hand	-	-
	217.20	100.99

4.2.3 Bank Balances other than Cash and cash equivalents

	As at 31.03.2023	As at 31.03.2022
Other bank balances		
-Fixed Deposits - Lien Marked	2,671.44	2,578.12
	2,671.44	2,578.12

Notes to the Financial Statement

(₹ in lacs)

4.2.4 LOANS

	As at 31.03.2023	As at 31.03.2022
(Unsecured, considered good)		
Loans and advances to employees	28.87	34.64
	28.87	34.64

4.2.5 OTHER FINANCIAL ASSETS

	As at 31.03.2023	As at 31.03.2022
Interest Accrued on Fixed Deposits	8.30	7.24
Derivative Financial Instruments	21.69	-
	29.99	7.24

4.3 CURRENT TAX ASSETS (NET)

	As at 31.03.2023	As at 31.03.2022
MAT Credit Entitlement	-	54.70
	-	54.70

4.4 OTHER CURRENT ASSETS

	As at 31.03.2023	As at 31.03.2022
(Unsecured, considered good)		
Advances to suppliers	642.04	1,190.79
RoDTEP Licenses in Hand	-	152.86
Export Incentive Receivable	492.53	1,090.53
Interest Subsidy on Term Loans	295.50	295.50
Refund/Claim Receivable	402.71	728.44
Balance with Government Authorities	1,543.79	842.14
Advances recoverable in kind	501.44	438.66
	3,878.01	4,738.92

5.1 EQUITY SHARE CAPITAL

	As at 31.03.2023	As at 31.03.2022
Authorised :		
2,50,00,000 Equity shares of ₹10/- each	2,500.00	2,500.00
	2,500.00	2,500.00
Issued, Subscribed and Paid up :		
1,98,20,000 Equity shares of ₹10/- each fully paid up	1,982.00	1,982.00
	1,982.00	1,982.00

Notes to the Financial Statement

(₹ in lacs)

(i) Reconciliation of the number of equity shares outstanding is as follows :

	As at 31.03.2023	As at 31.03.2022
	Nos.	Nos.
At the beginning of the year	19,820,000	19,820,000
Changes during the year	-	-
At the end of the year	19,820,000	19,820,000

(ii) Details of shareholders holding more than 5% of the Equity Shares in the company:

Name of Shareholder	As at 31.03.2023		As at 31.03.2022	
	Nos.	% holding	Nos.	% holding
Roselab Commodities Private Limited	3,501,923	17.67	3,501,923	17.67
Kailashpati Vinimay Private Limited	7,389,064	37.28	7,389,064	37.28
Aspire Emerging Fund	1,978,590	9.98	1,978,590	9.98

(iii) Term/Rights attached to Equity Shares

The company has one class of equity shares having a par value of ₹10/- each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. During the year ended March 31, 2023 the amount of dividend recognised as distributions to equity shareholders is Nil (Previous Year Nil). In the event of winding up, the equity shareholders will be entitled to receive the remaining balance of assets, if any, in proportionate to their individual shareholding in the paid up equity capital of the company.

(iv) Details of shareholding of Promoters in the company:

Shares held by promoters as at 31.03.2023

S. No.	Name of Promoter	No. of Shares	% of Total Shares	% Change during the year 2022-2023
(a)	Ashish Bagrodia	49220	0.25	-
(b)	Kailashpati Vinimay Private Limited	7389064	37.28	-
(c)	Roselab Commodities Private Limited	3501923	17.67	-
	Total	10940207	55.20	-

Shares held by promoters as at 31.03.2022

S. No.	Name of Promoter	No. of Shares	% of Total Shares	% Change during the year 2021-2022
(a)	Ashish Bagrodia	49220	0.25	-
(b)	Kailashpati Vinimay Private Limited	7389064	37.28	-
(c)	Roselab Commodities Private Limited	3501923	17.67	-
	Total	10940207	55.20	-

Notes to the Financial Statement

(₹ in lacs)

5.2 OTHER EQUITY

	As at 31.03.2023	As at 31.03.2022
Reserves & Surplus		
a) Capital Reserve		
As per last Account	46.68	46.68
	46.68	46.68
b) Securities Premium		
As per last Account	5,131.46	5,131.46
	5,131.46	5,131.46
c) Retained Earnings		
General Reserve		
As per last Account	11,000.00	8,500.00
Add: Amount transferred from surplus in Statement of Profit & Loss	2,500.00	2,500.00
	13,500.00	11,000.00
Surplus in the Statement of Profit & Loss		
As per last Account	5,017.01	2,955.74
Profit for the year	2,451.79	4,548.65
Remeasurement of net defined benefit liabilities	(10.62)	12.62
Transfer to General Reserve	(2,500.00)	(2,500.00)
	4,958.18	5,017.01
Total Retained Earnings	18,458.18	16,017.01
d) Equity Investment Reserve		
As per last Account	4.38	3.68
Add: Addition during the year	0.02	0.70
	4.40	4.38
Total	23,640.72	21,199.53

Nature of Reserves

a) Capital Reserve

Capital Reserve represents capital receipts, being capital subsidy, received in earlier years.

b) Securities Premium

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

c) General Reserve

The General reserve is used from time to time for transfer of profits from surplus in statement of Profit and Loss for appropriation purposes.

d) Equity Investment Reserve

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net off amounts reclassified to retained earnings when those assets have been disposed off.

Notes to the Financial Statement

(₹ in lacs)

6.1 FINANCIAL LIABILITIES - NON CURRENT

6.1.1 Borrowings

	As at 31.03.2023	As at 31.03.2022
Secured Loans		
From Banks:		
- Term Loans	10,885.14	12,106.33
- Working Capital Term Loans	3,763.31	4,354.87
- Vehicle Loans	129.94	155.19
Unsecured Loans		
- From Related Party	1,400.00	1,400.00
	16,178.39	18,016.39
Less : Current maturities of long term borrowings (Disclosed under Other Current Liabilities under Note No. 7.1.1)	3,685.85	2,741.01
	12,492.54	15,275.38

i) Details of security for term loans

- (i) Term Loans of ₹4390.31 lacs and Working Capital Term Loans of ₹3763.31 lacs are secured by Joint Equitable Mortgage on company's immovable properties situated at Baddi & Manuni, Himachal Pradesh on pari-passu first charge basis, a charge by way of hypothecation of all movable property, plant & equipment (present and future) and pari-passu second charge on entire current assets (present and future) and corporate guarantee of a promoter company and personal guarantee of Chairman cum Managing Director of the company.
- (ii) Term Loans of ₹6494.83 lacs are secured by way of extension of pari-passu first charge on entire current assets (present and future), Joint Equitable Mortgage on company's immovable properties situated at Baddi & Manuni, Himachal Pradesh and hypothecation of all movable property, plant & equipment (present and future) on pari-passu second charge basis and guarantee of National Credit Guarantee Trustee Company (NCGTC) Limited.

Repayment Terms of term loans and working capital term loans

S. No.	Amount Outstanding	No of remaining Installments	Nature of Installment	Last due date of Repayment
(a)	13.32	1	Balloning Quarterly	01.04.2023
(b)	90.01	5	Balloning Quarterly	01.04.2024
(c)	1106.73	6	Balloning Quarterly	01.07.2024
(d)	1143.90	5	Balloning Quarterly	01.07.2024
(e)	309.85	35	Equal Monthly	31.12.2025
(f)	624.30	35	Equal Monthly	01.02.2026
(g)	1370.14	36	Balloning Monthly	28.02.2026
(h)	382.50	36	Equal Monthly	31.03.2026
(i)	1563.71	12	Balloning Quarterly	01.04.2026
(j)	1626.15	13	Balloning Quarterly	01.04.2026
(k)	560.13	12	Balloning Quarterly	01.04.2026
(l)	469.00	36	Equal Monthly	10.05.2026
(m)	732.29	35	Equal Monthly	31.05.2026
(n)	792.00	15	Balloning Quarterly	01.10.2026

Notes to the Financial Statement

(₹ in lacs)

S. No.	Amount Outstanding	No of remaining Installments	Nature of Installment	Last due date of Repayment
(o)	297.00	48	Equal Monthly	21.11.2027
(p)	926.00	48	Balloning Monthly	30.11.2027
(q)	953.75	48	Equal Monthly	30.11.2027
(r)	430.00	48	Equal Monthly	31.12.2027
(s)	1257.67	24	Balloning Quarterly	30.09.2029

ii) Details of security for vehicle loans

Vehicle loans from banks are secured by hypothecation of specific assets purchased under such arrangements and is repayable in equated monthly installments as follows:

Repayment Terms

S. No.	Amount Outstanding	No of remaining Installments	Last due date of Repayment
(a)	17.54	16	02.07.2024
(b)	10.18	27	05.06.2025
(c)	10.53	29	05.08.2025
(d)	14.07	31	16.10.2025
(e)	13.11	45	05.12.2026
(f)	64.51	45	10.12.2026

iii) Repayment Terms of Unsecured Loans

S. No.	Amount Outstanding	Terms of Repayment	Last due date of Repayment
(a)	1400.00	Within one year from date of full repayment of terms loans and other long terms loans, under one time restructuring scheme.	01.04.2027

6.2 NON-CURRENT PROVISIONS

	As at 31.03.2023	As at 31.03.2022
Provision for Employee Benefits:		
- Gratuity	375.67	446.75
- Leave Encashment	97.40	90.61
	473.07	537.36

6.3 DEFERRED TAX LIABILITIES (NET)

	As at 31.03.2023	As at 31.03.2022
Deferred Tax Liability / (Asset) relating to:		
- Property, plant and equipment and Intangible Assets	4,141.15	4,211.55
- Employee Benefits	(204.40)	(229.56)
- Unabsorbed Losses	-	-
- Others	(460.21)	(466.26)
	3,476.54	3,515.73

Notes to the Financial Statement

(₹ in lacs)

6.4 OTHER NON-CURRENT LIABILITIES

	As at 31.03.2023	As at 31.03.2022
Deferred Income - Capital subsidy	286.51	275.86
	286.51	275.86

7.1 FINANCIAL LIABILITIES-CURRENT

7.1.1 BORROWINGS

	As at 31.03.2023	As at 31.03.2022
Working Capital Limits - Secured		
From Banks:		
Working Capital Demand loan		
- Foreign Currency Loan	2,043.41	2,070.38
- Rupee Loan	273.00	273.00
Cash Credit Facilities	807.11	1,232.17
Packing Credit Facilities		
- Foreign Currency Packing Credit	2,085.91	2,440.58
- Rupee Loan Packing Credit	2,872.24	1,452.36
Bills Discounting Facilities	3,550.38	5,157.81
Current Maturities of Long-Term Borrowings	3,685.85	2,741.01
	15,317.90	15,367.31

Working Capital limits are secured by First Charge by Hypothecation of Inventories and Book Debts, Second Charge on entire Property, Plant & Equipment of the Company on Pari-passu basis and corporate guarantee of a promoter company and personal guarantee of the Chairman cum Managing Director.

7.1.2 Trade Payables

	As at 31.03.2023	As at 31.03.2022
- Dues of Micro and Small Enterprises	-	-
- Dues of creditors other than micro & small enterprises		
- Acceptances	12704.40	12213.83
- Others	1646.63	4494.66
	14351.03	16708.49

Particulars	Outstanding for following Periods from due date of payment				Total as at 31 st March, 2023
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
(i) Undisputed Dues					
- MSME	-	-	-	-	-
- Other than MSME	14,351.03	-	-	-	14,351.03
(ii) Disputed Dues					
- MSME	-	-	-	-	-
- Other than MSME	-	-	-	-	-

Notes to the Financial Statement

(₹ in lacs)

Particulars	Outstanding for following Periods from due date of payment				Total as at 31 st March, 2022
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
(i) Undisputed Dues					
- MSME	-	-	-	-	-
- Other than MSME	16,708.49	-	-	-	16,708.49
(ii) Disputed Dues					
- MSME	-	-	-	-	-
- Other than MSME	-	-	-	-	-

7.1.3 OTHER FINANCIAL LIABILITIES

	As at 31.03.2023	As at 31.03.2022
Interest accrued but not due on borrowings	13.88	112.55
Interest accrued and due on borrowings	28.19	82.47
Creditors for Capital Goods	179.41	52.80
Other Liabilities	2,302.31	3,069.32
Derivative Financial Instruments	-	3.42
	2,523.79	3,320.56

7.2 OTHER CURRENT LIABILITIES

	As at 31.03.2023	As at 31.03.2022
Statutory Dues	639.99	675.17
Advance from customers	439.23	277.84
	1,079.22	953.01

7.3 CURRENT PROVISIONS

	As at 31.03.2023	As at 31.03.2022
Provision for Employee Benefits:		
- Gratuity	215.48	156.84
- Leave Encashment	42.47	41.92
	257.95	198.76
Provision for Taxations (Net of Advances and Refundable)	79.34	19.05
	337.29	217.81

Notes to the Financial Statement

(₹ in lacs)

8.1 REVENUE FROM OPERATIONS

	2022-2023	2021-2022
Sale of Products		
- Yarn	73,740.21	79,572.09
- Fabric	6,652.30	9,242.80
- Trading	-	514.68
	80,392.51	89,329.57
Other Operating Revenues:		
- Waste & Scrap Sales	4,948.82	3,132.05
- Export Incentives	1,701.55	2,255.31
- Exchange Rate Variation Gain	560.21	836.25
	7,210.58	6,223.61
	87,603.09	95,553.18

8.2 OTHER INCOME

	2022-2023	2021-2022
Interest	145.41	139.00
Rent	2.62	2.92
Dividend	0.62	0.42
Profit of Sale of Investments	-	1.21
Miscellaneous Income	1.98	3.96
Liabilities Written Back	6.81	87.86
Pro-rata Capital Subsidy	30.60	29.04
	188.04	264.41

9.1 COST OF MATERIAL CONSUMED

	2022-2023	2021-2022
Raw Material	56,258.08	54,050.90
Dyes and Chemicals	3,463.25	3,946.27
Packing Material	1,013.23	994.41
	60,734.56	58,991.58

9.2 PURCHASE OF STOCK-IN-TRADE

	2022-2023	2021-2022
Trading Purchases	-	508.41
	-	508.41

9.3 CHANGE IN INVENTORIES

	2022-2023	2021-2022
Opening Stock		
Finished Goods	4,310.22	5,462.36
Work in progress	4,438.08	4,348.71
	8,748.30	9,811.07

Notes to the Financial Statement

(₹ in lacs)

	2022-2023	2021-2022
Less: Closing Stock		
Finished Goods	6,535.82	4,310.22
Work in progress	4,745.53	4,438.08
	11,281.35	8,748.30
Decrease/(Increase) in Stocks	(2,533.05)	1,062.77

9.4 EMPLOYEE BENEFIT EXPENSES

	2022-2023	2021-2022
Salary and allowances	6,593.32	6,291.22
Contribution to Provident & Other Funds	470.99	414.39
Staff welfare expenses	24.66	13.21
	7,088.97	6,718.82

9.5 FINANCE COSTS

	2022-2023	2021-2022
Interest Expenses	1,996.59	1,934.99
Other Borrowing Cost	1,549.00	1,972.68
Loan Processing and other financial charges	201.23	235.70
Exchange Fluctuation relating to borrowing costs	138.27	125.97
	3,885.09	4,269.34

9.6 DEPRECIATION & AMORTIZATION EXPENSES

	2022-2023	2021-2022
Relating to :		
- Property, plant & equipment	2,152.96	2,137.16
- Intangible Assests	3.82	4.12
	2,156.78	2,141.28

9.7 OTHER EXPENSES

	2022-2023	2021-2022
Conversion Charges	196.20	151.59
Consumption of Stores, Spares & Consumables	1,802.36	1,649.04
Power and Fuel	5,538.89	5,324.00
Repairs and Maintenance :		
Buildings	57.86	56.44
Machinery	157.82	124.93
Rent	99.58	75.73
Rates & Taxes	73.92	58.97
Insurance	182.36	185.10
Freight & Handling Charges	2,564.47	4,135.33
Commission	727.30	1,154.33
Travelling Expenses	267.81	170.52

Notes to the Financial Statement

(₹ in lacs)

	2022-2023	2021-2022
Bad Debts	-	125.44
Provision for Doubtful Debts	-	15.87
Expenses of CSR Activities	72.50	42.98
(Profit)/Loss on Disposal of Property, Plant & Equipment	(48.64)	52.09
Miscellaneous Expenses	1,315.35	1,248.23
	13,007.78	14,570.59

9.8 EXCEPTIONAL ITEMS

	2022-2023	2021-2022
Provision for Doubtful Debts - Credit impaired body corporate	-	568.37
	-	568.37

10 TAX EXPENSES

	2022-2023	2021-2022
Current tax		
Income Tax	975.88	2,657.12
Tax Adjustments	58.96	1,343.88
	1,034.84	4,001.00
Deferred Tax		
Deferred Tax	(35.63)	(1,563.22)
	999.21	2,437.78

(i) The major components of tax expense for the years ended 31 March 2023 and 31 March 2022 are:

	2022 - 2023	2021 - 2022
Current Tax:		
Current tax expenses for current year	975.88	2,657.12
Tax expenses pertaining to prior periods	58.96	1,343.88
	1,034.84	4,001.00
Deferred tax obligations	(35.63)	(1,563.22)
Total tax expense reported in the statement of profit or loss	999.21	2,437.78

(ii) The reconciliation of estimated income tax expense at statutory income tax rate to income tax expenses reported in statement of profit and loss is as follows:

	2022 - 2023	2021 - 2022
Profit before income taxes	3,451.00	6,986.43
At statutory income tax rate	25.168%	34.944%
Expected Income Tax expenses	868.55	2,441.34
Tax effects of adjustments to reconcile expected income tax expense to reported income tax expense		
Depreciation Difference	20.46	(1,648.99)
Non deductible expenses for tax purposes	144.03	428.55

Notes to the Financial Statement

(₹ in lacs)

	2022 - 2023	2021 - 2022
Tax pertaining to prior periods	58.96	1,343.88
Others (Net)	(92.79)	(127.00)
Total Income Tax expenses	999.21	2,437.78

(iii) Significant components of net deferred tax assets and liabilities for the year ended on 31st March, 2023 is as follows:

	Opening Balance	Recognised/ reversed through Profit and Loss	Recognised/ reversed in other comprehensive income	Closing Balance
Deferred Tax (Assets)/Liabilities in relation to:				
Property, plant & equipment and Intangible Assets	4,211.55	(70.40)	-	4,141.15
Employee Benefits	(229.56)	28.73	(3.57)	(204.40)
Unabsorbed Losses	-	-	-	-
Others	(466.26)	6.04	0.01	(460.21)
Net Deferred Tax (Assets)/Liabilities	3,515.73	(35.63)	(3.56)	3,476.54

Significant components of net deferred tax assets and liabilities for the year ended on 31st March, 2022 is as follows:

	Opening Balance	Recognised/ reversed through Profit and Loss	Recognised/ reversed in other comprehensive income	Closing Balance
Deferred Tax (Assets)/Liabilities in relation to:				
Property, plant & equipment and Intangible Assets	5,830.16	(1,618.61)	-	4,211.55
Employee Benefits	(282.86)	46.52	6.78	(229.56)
Unabsorbed Losses	(27.20)	27.20	-	-
Others	(448.30)	(18.33)	0.37	(466.26)
Net Deferred Tax (Assets)/Liabilities	5,071.80	(1,563.22)	7.15	3,515.73

11 FINANCIAL INSTRUMENTS

11.1 Financial Instruments by category

The carrying value of financial instruments by categories as on 31st March, 2023 were as follows:

Particulars	Note Reference	Fair Value through Profit & Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Total Fair Value
Financial Assets						
Investments						
- Equity Instruments	3.4.1	-	8.90	-	8.90	8.90
(other than subsidiary, Joint ventures)						
- Trade receivables	4.2.1	-	-	9,273.14	9,273.14	9,273.14
- Cash and Cash equivalents	4.2.2	-	-	217.20	217.20	217.20

Notes to the Financial Statement

(₹ in lacs)

Particulars	Note Reference	Fair Value through Profit & Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Total Fair Value
- Bank Balances other than Cash and Cash Equivalents	4.2.3	-	-	2,671.44	2,671.44	2,671.44
- Loans	4.2.4	-	-	28.87	28.87	28.87
- Other financial assets	4.2.5	21.69	-	8.30	29.99	29.99
Total Financial Assets		21.69	8.90	12,198.95	12,229.54	12,229.54
Financial Liabilities						
- Long Term Borrowings	6.1.1	-	-	12,492.54	12,492.54	12,492.54
- Short Term Borrowings	7.1.1	-	-	15,317.90	15,317.90	15,317.90
- Trade Payables	7.1.2	-	-	14,351.03	14,351.03	14,351.03
- Other Financial Liabilities	7.1.3	-	-	2,523.79	2,523.79	2,523.79
Total Financial Liabilities		-	-	44,685.26	44,685.26	44,685.26

The carrying value of financial instruments by categories as on 31st March, 2022 were as follows:

Particulars	Note Reference	Fair Value through Profit & Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Total Fair Value
Financial Assets						
Investments						
- Equity Instruments (other than subsidiary, Joint ventures)	3.4.1	-	8.87	-	8.87	8.87
- Trade receivables	4.2.1	-	-	15,540.51	15,540.51	15,540.51
- Cash and Cash equivalents	4.2.2	-	-	100.99	100.99	100.99
- Bank Balances other than Cash and Cash Equivalents	4.2.3	-	-	2,578.12	2,578.12	2,578.12
- Loans	4.2.4	-	-	34.64	34.64	34.64
- Other financial assets	4.2.5	-	-	7.24	7.24	7.24
Total Financial Assets		-	8.87	18,261.50	18,270.37	18,270.37
Financial Liabilities						
- Long Term Borrowings	6.1.1	-	-	15,275.38	15,275.38	15,275.38
- Short Term Borrowings	7.1.1	-	-	15,367.31	15,367.31	15,367.31
- Trade Payables	7.1.2	-	-	16,708.49	16,708.49	16,708.49
- Other Financial Liabilities	7.1.3	3.42	-	3,317.14	3,320.56	3,320.56
Total Financial Liabilities		3.42	-	50,668.32	50,671.74	50,671.74

Management estimations and assumptions

- a) The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- b) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:
 - (i) The fair values of the unquoted equity shares have been determined based on certifications from valuers who have used Net Asset Value approach for determining the fair values.

Notes to the Financial Statement

(₹ in lacs)

- (ii) The fair values of the derivative financial instruments have been determined based on the exchange rates prevailing as at year end.

11.2 Fair Value Measurement

(i) Fair Value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The company's policy is to recognize transfers into and the transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between level 1 and level 2 during the end of the reported periods.

(ii) The following table presents fair value hierarchy of assets and liabilities measured at fair value:

As at 31st March 2023

Particulars	Note Reference	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Long term Investments				
Fair Value through OCI (Equity instruments designated upon initial recognition)	3.4.1	-	-	8.90
Other financial assets				
-Derivative financial instruments	4.2.5	-	21.69	-

As at 31st March 2022

Particulars	Note Reference	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Long term Investments				
Fair Value through OCI (Equity instruments designated upon initial recognition)	3.4.1	-	-	8.87
Other financial current Liabilities				
-Derivative financial instruments	7.1.3	-	3.42	-

11.3 Financial Risk Management

The principal financial assets of the Company include loans, trade and other receivables, and cash and bank balances that derive directly from its operations. The principal financial liabilities of the company, include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and that advises on financial risks and the appropriate financial risk governance framework for the Company.

This note explains the risks which the company is exposed to and policies and framework adopted by the company to manage these risks.

Notes to the Financial Statement

(₹ in lacs)

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: foreign currency risk, interest rate risk, investment risk.

(i) Foreign currency risk

The company operates internationally and business is transacted in several currencies.

The export sales of company included in the total sales of the company, Further the company also imports certain assets and material from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than company's functional currency.

The company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by appropriately hedging the transactions. The Company uses a combination of derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

- (a) The following table summarizes the company's exposure to foreign currency risk from financial instruments at the end of each reporting period:

Particulars	Amount in Document Currency		Amount in INR Currency (₹ in Lacs)	
	Current Year	Previous Year	Current Year	Previous Year
Exposure on account of Financial Assets				
Trade receivables (net of bill discounted)				
-In USD	4,716,829.13	10,673,537.81	3,875.59	8,088.53
-In Euro	154,497.45	123,962.80	138.17	104.38
-In PLN	739,240.54	671,005.75	140.75	121.49
Cash and cash equivalents				
-In USD	1,597.00	-	1.31	-
-In PLN	395,009.31	224,582.81	75.21	40.66
Other Current Assets				
-In USD	1,002.83	19,159.06	0.82	14.36
-In Euro	385,811.05	133,919.84	338.72	114.77
-In CHF	3,245.16	47,911.82	2.46	39.50
-In PLN	19,482.28	25,541.15	3.71	4.62
Exposure on account of Financial Liabilities				
Advance From Customer				
-In USD	404,976.48	219,127.97	330.96	164.42
-In Euro	2,569.90	3,541.19	2.18	2.95
Foreign Currency Loan				
-In USD	2,486,657.20	2,731,464.58	2,043.41	2,070.38
Packing Credit Foreign Currency				
-In USD	2,538,373.91	3,219,864.69	2,085.91	2,440.58

Notes to the Financial Statement

(₹ in lacs)

Particulars	Amount in Document Currency		Amount in INR Currency (₹ in Lacs)	
	Current Year	Previous Year	Current Year	Previous Year
Trade Payables and Other Financial Liabilities				
-In USD	198,334.92	494,288.01	162.98	374.66
-In Euro	2,703.89	9,428.79	2.42	7.94
-In CHF	-	1,543.97	-	1.27
-In PLN	63,610.94	86,253.17	12.11	18.57

(b) Forward Contracts of ₹4794.44 Lacs-US \$ 58.09 Lacs (Previous Year ₹2355.78 Lacs-US \$ 31.13 Lacs) taken for the purpose of hedging against outstanding of future orders as on 31.03.2023.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements. The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:

Particulars	As at 31.03.2023	As at 31.03.2022
Variable rate instruments		
Long term borrowings	16,178.39	18,016.39
Current maturities of long term debt	3,685.85	2,741.01
Short term borrowings	11,632.05	12,626.30

(iii) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. The Company's credit risk in case of all other financial instruments is negligible.

The company assesses the credit risk based on external credit ratings assigned by credit rating agencies. The company also assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to overseas customers are generally covered by letters of credit.

The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date. The company has not considered an allowance for doubtful debts in case of trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

Notes to the Financial Statement

(₹ in lacs)

Write off policy

The financial assets are written off in case there is no reasonable expectation of recovering from the financial asset.

12 CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR):-

S. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Contingent Liabilities			
(i)	SEBI Matters - Pending Appeal	440.00	440.00
(ii)	Outstanding Bank Guarantees	752.86	888.90
(iii)	Claims against company not accepted	254.16	254.16

(iv) Custom duty ₹1486.85 Lacs (Previous year ₹985.57 Lacs) saved upon import of capital goods made under EPCG scheme against which export obligations amounting to ₹8921.09 Lacs (Previous year ₹5913.43 Lacs) pending.

(v) Interest on contested demand of entry tax, amount whereof is not ascertainable.

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.

13 Estimated amount of contracts remaining to be executed on capital account and not provided for ₹1847.33 Lacs (Previous year ₹2633.93 Lacs) {(net of advances of ₹898.78 Lacs)(Previous year ₹426.47 Lacs)}.

14 Auditors Remuneration (Excluding GST)

(a) Statutory Audit

	2022-2023	2021-2022
Audit Fee	18.00	18.00
Tax Audit Fee	3.60	3.60
Other Services	1.18	1.18
Reimbursement of expenses	0.95	0.27

(b) Cost Audit

	2022-2023	2021-2022
Cost Audit Fee	0.75	0.75
Other Service	-	-

(c) Other

	2022-2023	2021-2022
Secretarial audit fee	0.30	0.30

15 Balances of loans and advances sundry creditors and other liabilities are in the process of confirmation / reconciliation.

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

Notes to the Financial Statement

(₹ in lacs)

Sr. No.	Particulars	2022-2023	2021-2022
a)	(i) Principal amount remaining unpaid at the end of the accounting year	-	-
	(ii) Interest accrued and due to such suppliers on above (a) amount	-	-
b)	Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day.	-	-
c)	Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
d)	Interest accrued and remaining unpaid at the end of the accounting year.	-	-
e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

17 The disclosures required under Ind-AS -19, Employee Benefits, notified in the Companies (Accounting Standard) Rules, 2015 are given below, based on the Actuarial Report certified by a Practising Actuary.

	2022-2023	2021-2022
Defined Contribution Plan		
Contribution to Defined Contribution Plan, charged off for the year are as under:		
Employer's Contribution to Provident & Pension Fund	400.83	354.38
Employer's Contribution to ESIC Scheme	70.16	60.01

Defined Benefit Plan

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises 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.

(a) Movement in present value of defined benefit obligations

	Leave Encashment (Unfunded)		Gratuity (Funded)	
	2022-2023	2021-2022	2022-2023	2021-2022
Present value of obligation at the beginning of the year	132.53	108.25	730.97	631.35
Current Service Cost	28.69	23.43	97.31	131.73
Interest Cost	9.28	7.18	51.68	43.20
Remeasurements - Actuarial (gains)/losses	34.07	81.43	16.48	(20.20)
Benefits paid	(64.70)	(87.76)	(71.50)	(55.11)
Past Service Cost	-	-	-	-
Present value of obligation at the end of the year	139.87	132.53	824.94	730.97

Notes to the Financial Statement

(₹ in lacs)

(b) Movement in Fair value of Plan Asset

	Leave Encashment (Unfunded)		Gratuity (Funded)	
	2022-2023	2021-2022	2022-2023	2021-2022
Fair Value of Plan Asset Beginning of the year	-	-	127.38	59.18
Interest Income	-	-	9.39	4.12
Actual contribution	-	-	162.03	119.56
Actuarial Gain/Losses	-	-	2.29	(0.80)
Benefits paid	-	-	(67.30)	(54.68)
Fair Value of Plan Asset End of the year	-	-	233.79	127.38

(c) Reconciliation of fair value of assets and obligations

	Leave Encashment (Unfunded)		Gratuity (Funded)	
	2022-2023	2021-2022	2022-2023	2021-2022
Present value of obligation at the end of the year	139.87	132.53	824.94	730.97
Fair Value of Plan assets as at the end of the year	-	-	233.79	127.38
Net liability recognised in Balance Sheet	139.87	132.53	591.15	603.59

(d) Amount recognised in the Statement of Profit and Loss under Employee Benefit Expenses

	Leave Encashment (Unfunded)		Gratuity (Funded)	
	2022-2023	2021-2022	2022-2023	2021-2022
Current Service Cost	28.69	23.43	97.31	131.73
Interest Cost	9.28	7.18	51.68	43.20
Past Service Cost	-	-	-	-
Remeasurements - Actuarial (gains)/losses	34.07	81.43	-	-
Expected return on plan assets	-	-	(9.39)	(4.12)
Net expenses recognised in the statement of Profit and Loss	72.04	112.04	139.60	170.81

(e) Amount recognised in the other comprehensive income

	Leave Encashment (Unfunded)		Gratuity (Funded)	
	2022-2023	2021-2022	2022-2023	2021-2022
Actuarial Gain/Losses in Plan Assets	-	-	(2.29)	0.80
Effect of change in demographic assumptions	-	-	-	-
Effect of change in financial assumptions	-	-	2.31	(14.50)
Effect of experience adjustments	-	-	14.17	(5.70)
Net expenses recognised in the other comprehensive income	-	-	14.19	(19.40)

Notes to the Financial Statement

(₹ in lacs)

- (f) The weighted-average assumptions used to determine net periodic benefit cost are set out below:

	Leave Encashment (Unfunded)		Gratuity (Funded)	
	2022-2023	2021-2022	2022-2023	2021-2022
Mortality Table (IALM Ultimate)	2012-14	2012-14	2012-14	2012-14
Interest rate for discounting	7.31%	7.37%	7.31%	7.37%
Rate of escalation in salary (per annum after first year)	5.00%	5.00%	5.00%	5.00%
Expected Return on Plan Assets	N.A.	N.A.	7.37%	7.37%
Withdrawal Rate	10.00%	10.00%	10.00%	10.00%
Retirement Age	58 Years	58 Years	58 Years	58 Years

- (g) The quantitative sensitivity analysis on net liability recognized on account of change in significant assumptions:

	Leave Encashment (Unfunded)		Gratuity (Funded)	
	2022-2023	2021-2022	2022-2023	2021-2022
Discount Rate 100 basis points Increase	(5.42)	(5.68)	(36.62)	(33.68)
Discount Rate 100 basis points Decrease	5.99	7.43	40.69	37.48
Salary Escalation Rate 100 basis points Increase	6.14	6.90	39.15	36.27
Salary Escalation Rate 100 basis points Decrease	(6.30)	(5.28)	(36.23)	(34.13)
Withdrawal Rate 25% Increase	0.49	(0.68)	8.44	8.06
Withdrawal Rate 25% Decrease	(0.58)	(0.75)	(11.82)	(11.34)

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

- (h) Maturity profile of defined benefit obligation:

	Gratuity	
	2022-2023	2021-2022
With in 1 year	215.48	156.84
1-2 Year	111.85	81.80
2-3 Year	78.78	96.21
3-4 Year	87.81	71.31
4-5 Year	84.86	74.38
above 5 years	12.37	123.04
	591.15	603.59

18 Related Party Disclosure

Related parties and transactions with them as specified in the Ind-AS 24 on "Related Parties Disclosures" prescribed under Companies (Accounting Standards) Rules, 2015 has been identified and given below on the basis of information available with the company and the same has been relied upon by the auditors.

Notes to the Financial Statement

(₹ in lacs)

Significant influenced entities

Particulars	Country	Holding as at	
		31.03.2023	31.03.2022
a) Name of Subsidiary		-	-
b) List of Joint Ventures		-	-
c) Other related parties			

(i) Key management personnel and their relatives	Relationship
Shri Ashish Bagrodia	Chairman Cum Managing Director
Shri Anil Sharma	Executive Director cum Chief Executive Officer
Shri Sanjay Kr. Kedia	Chief Financial Officer
Shri Videshwar Sharma	Company Secretary
Shri Divij Bagrodia	Executive Trainee (Relative of CMD)

(ii) Enterprise where Key Management Personnel & their relative have significant influence

Star point Financial Services (P) Ltd.	India
Winsome Yarns Limited	India
Roselab Commodities Pvt. Ltd.	India
Kailashpati Vinimay Pvt. Ltd.	India

Transactions with the Related Parties :-

Nature of Transactons	Other related parties	
	2022-2023	2021-2022
Income	-	-
Expenses		
Rent	24.00	12.00
Interest	126.00	103.14
Reimbursement of Expenses (Net)	53.63	31.74
Year End Receivable		
Trade Receivable (Net of Provision)	-	-
Loans and advances	12.76	13.09
Year End Payable		
Borrowings (including Interest Accrued)	1,400.00	1,494.08
Other Financial Liabilities	11.72	71.13

The table below describes the compensation to key managerial personnel and Related Parties:

Particulars	Year Ended 31 March, 2023	Year Ended 31 March, 2022
Short term employee benefits	325.21	366.61
Post employment benefits		
Defined contribution plan	22.31	20.35
Defined benefit plan	76.22	74.00
Other long term benefit	-	-
	423.74	460.96

Notes to the Financial Statement

(₹ in lacs)

19 EARNINGS PER SHARE

(a) The calculation of Earning Per Share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Indian Accounting Standard (Ind AS)-33 on "Earning Per Share"

(i) A statement on calculation of basic & Diluted EPS is as under:

Particulars	Year Ended 31 March, 2023	Year Ended 31 March, 2022
Net Profit after tax attributable to equity shareholders (₹ in lacs)	2,441.19	4,561.97
Total (A)	2,441.19	4,561.97
Weighted average number of equity shares (No in lac)	1,982.00	1,982.00
Total (B)	1,982.00	1,982.00
Basic earning per Share (₹) (A)/(B)	12.32	23.02
Diluted earning per Share (₹)* (A)/(B)	12.32	23.02
Face value per equity share (₹)	10	10

20 SEGMENT INFORMATION

(i) Business segments have been identified based on the nature and class of products and services, assessment of differential risks and returns. Accordingly, company is a single segment company operating in textile business (Yarn, Fabric and allied activities) and disclosure requirements as contained in Ind AS- 108 'Operating Segments' are not required in the financial statements.

(ii) 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) :

Particulars	2022-2023	2021-2022
(i) Revenue-Sales (Net)		
- Within india	47,639.21	35,626.50
- Outside india	39,963.88	59,926.68
Total	87,603.09	95,553.18
(ii) Carrying amount of segment assets by location of assets		
- Within india	71,383.87	70,824.73
- Outside india	4,576.74	8,528.31
Total	75,960.61	79,353.04
(iii) Capital Expenditure		
- Within india	2,260.91	1,801.92
- Outside india	88.96	34.10
Total	2,349.87	1,836.02

21 In accordance with the Accounting Standards (IndAS-36) 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.

Notes to the Financial Statement

(₹ in lacs)

22 REVENUE FROM CONTRACTS WITH CUSTOMERS

The disclosure pursuant to INDAS 115 "Revenue from Contracts with Customers" are given herein below:

Customer Contracts

(i) Revenue

Particulars	31 st March, 2023	31 st March, 2022
(a) Revenue from contract with customers		
Sale of Products	80392.51	89329.57
Other Operating Revenues:	7210.58	6223.61
	87603.09	95553.18
(b) Income from investment activities/others		
Other Income	188.04	264.41
	188.04	264.41
Total	87791.13	95817.59

(ii) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Type of goods/services	31 st March, 2023	31 st March, 2022
Sale of Products		
Yarn	73740.21	79572.09
Fabric	6652.3	9242.8
Trading	-	514.68
	80392.51	89329.57
Other Operating Revenues:		
Waste & Scrap Sales	4948.82	3132.05
Export Incentives	1701.55	2255.31
Exchange Rate Variation Gain	560.21	836.25
	7210.58	6223.61
Other Income	188.04	264.41
Total revenue from contracts with customers	87791.13	95817.59
Revenue from contract with customers		
Within india	47,639.21	35,626.50
Outside india	39,963.88	59,926.68
	87,603.09	95,553.18

(iii) Contract balances

Particulars	Sub heading	31 st March, 2023	31 st March, 2022
Contract Assets	Trade Receivables	9,273.14	15,540.51
Contract liabilities	Advance from Customers	439.23	277.84

Notes to the Financial Statement

(₹ in lacs)

(v) Performance obligations

Information about the Company's performance obligations for material contracts are as summarised below:

Sale of Goods:

The performance obligation and the control is satisfied at the point in time when control of the goods are transferred to the customers, the customer has full discretion over the channel and price to sell the products, there is no unfulfilled obligation that could affect the customer's acceptance of the products and the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. The said conditions are generally fulfilled upon delivery of goods to the customers.

Sale of Services:

The performance obligation has been satisfied on the stage of completion.

- 23** SEBI, vide its order dated December 15, 2021 has restrained the company from accessing the securities market in any manner, whatsoever, for a period of 3 years from the date of the said order and also levied of a penalty of ₹4.40 Crores. The company has obtained a legal opinion that SEBI has erred in passing the said order and, accordingly, has filed appeal with the Hon'ble Securities Appellate Tribunal against the said order after depositing the requisite amount and matter is still subjudice.
- 24** The company's application against a body corporate, whose networth is fully eroded, under Insolvency & Bankruptcy Code, 2016 is pending before the Hon'ble National Company Law Tribunal, Chandigarh. Hence, in the opinion of the management, due to uncertainty of recovery, provision for doubtful debt is made against receivables of ₹1089.44 lacs from them.
- 25** During the year Research and Development expenditure (net) amounting to ₹328.06 Lacs (Previous year ₹284.29 Lacs) have been charged to Statement of Profit and Loss in respective heads of the accounts & Capital Expenditure of ₹8.30 Lacs (previous year ₹ Nil), has been capitalized under the R & D Assets.

Particulars	2022-2023	2021-2022
Raw Material	479.92	360.08
Employee Cost	122.76	108.42
Store & Spares	81.83	66.29
Power & Fuel	75.38	74.60
Total Recurring Expenses	759.89	609.39
Less: Sale Consideration	431.83	325.10
Net Recurring Expenses	328.06	284.29
Total Capital Expenditure	8.30	-
Total R&D Expenses (Incl. Capital Expenditure)	336.36	284.29

- 26** 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.

27 (a) Raw Material Consumed

Particulars	2022-2023	2021-2022
Cotton	48,522.04	49,632.33
Manmade/other fibres and filaments	7,736.04	4,418.57
Total	56,258.08	54,050.90

Notes to the Financial Statement

(₹ in lacs)

(b) Total Value of Raw Materials and Stores & Spares consumed (includes packing material & dyes & chemicals):

Particulars	2022-2023	%	2021-2022	%
Raw Material:				
Imported	41.62	0.07	75.74	0.14
Indigenous	56,216.46	99.93	53,975.16	99.86
Total	56,258.08	100.00	54,050.90	100.00
Stores & Spares (includes packing material & dyes & chemicals):				
Imported	273.69	4.36	259.38	3.94
Indigenous	6,005.15	95.64	6,330.34	96.06
Total	6,278.84	100.00	6,589.72	100.00

Detail of Traded Goods*

Particulars	2022-2023		2021-2022	
	Purchases	Sales	Purchases	Sales
Yarn	-	-	411.35	416.13
Fabric	-	-	97.06	98.55
Total	-	-	508.41	514.68

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

(c) CIF Value of Imports:

Particulars	2022-2023	2021-2022
Raw Material	137.66	211.12
Capital goods	88.96	34.10
Spare Parts & Components	307.14	306.40
Total	533.76	551.62

(d) Earnings in Foreign Exchange

Particulars	2022-2023	2021-2022
Exports of goods on FOB basis (excluding export through export houses & EOU)	37,808.91	53,685.27

(e) Expenditure in Foreign Currency

Particulars	2022-2023	2021-2022
Interest and other financial charges	275.63	267.56
Commission Expenses	617.45	610.30
Travelling	8.57	5.86
Rent	35.89	22.04
Employee Expenses	74.90	56.69
Freight & Handling Charges	140.70	12.54
Insurance	2.45	2.35
Other Expenses	56.87	20.73

Notes to the Financial Statement

(₹ in lacs)

28 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

Particulars	2022-2023	2021-2022
(i) Amount required to be spent as per Section 135 of the Act	43.56	6.17
(ii) Amount of expenditure incurred during the year	72.50	42.98
(iii) shortfall at the end of the year,	-	-
(iv) total of previous years shortfall,	-	-
(v) reason for shortfall,	N.A.	N.A.
(vi) details of contribution to a trust established by the company in relation to CSR expenditure as per relevant Accounting Standard,	60.00	37.75
(vii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-
(viii) nature of CSR activities, : Eradication of hunger and malnutrition, promoting education, including special education and employment enhancing vocation skills, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects, promotion of rural sports activities.		

29 CAPITAL MANAGEMENT

The capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order to maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's gearing ratio was as follows:

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Borrowings	31,496.29	33,383.70
Less: Cash and cash equivalents	2,888.64	2,679.11
Net debt	28,607.65	30,704.59
Total equity	25,622.72	23,181.53
Capital and Net debt	54,230.37	53,886.12
Gearing ratio	52.75%	56.98%

Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year ended 31st March 2023.

There were no changes in the objectives, policies or processes for managing capital during the year ended 31 March 2023 and 31 March 2022.

Notes to the Financial Statement

(₹ in lacs)

30 ASSETS SECURED FOR BORROWINGS

The carrying amounts of assets secured for current and non current borrowings is given in the following table:

Particulars	Notes	31 st March, 2023	31 st March, 2022
Non Current Assets			
Property, Plant and Equipments	3.1	29,298.39	29,990.06
Capital work-in-progress	3.2	880.70	77.66
Intangible Assets	3.3	8.49	12.16
Total		30,187.58	30,079.88
Current Assets			
Inventories	4.1	28,669.25	25,714.70
Trade receivables	4.2.1	9,273.14	15,540.51
Cash and cash equivalents	4.2.2	217.20	100.99
Bank Balances other than Cash and Cash Equivalents	4.2.3	2,671.44	2,578.12
Total		40,831.03	43,934.32

31 RATIOS

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022

Particulars	Numerator	Denominator	31 st March, 2023	31 st March, 2022	% Variance
(a) Current Ratio,	Current Assets	Current Liabilities	1.33	1.33	(0)
(b) Debt-Equity Ratio,	Total Outside Liabilities	Shareholders' Equity	1.96	2.42	19
(c) Debt Service Coverage Ratio,	Earnings available for debt service (*)	Debt Service (**)	1.32	1.52	(14)
(d) Return on Equity Ratio, (%)	Net Profits after Taxes	Shareholders' Equity	9.57	19.62	(51)
(e) Inventory turnover ratio, (No. of Days)	Total Inventories	Revenue from Operations	119	98	(21)
(f) Trade Receivables turnover ratio, (No. of Days)	Total Net Trade Receivable	Revenue from Operations	39	59	34
(g) Trade payables turnover ratio, (No. of Days)	Total Net Trade Payables	Purchases & Consumption of Goods	84	100	16
(h) Net capital turnover ratio,	Revenue from Operations	Working Capital	7.85	7.83	0
(i) Net profit ratio, (%)	Net Profit before Taxes	Revenue from Operations	3.94	7.31	(46)
(j) Return on Capital employed, (%)	Earning before interest and taxes	Capital Employed (#)	17.32	26.31	(34)
(k) Return on investment, (%)	Income generated from long term investments	Average long term investments	20.00	13.55	48

(*) Earnings available for debts service = Profit after Tax before depreciation and interest on long term borrowings

(**) Debts Service = Repayment of long term borrowings and Gross Interest on long term borrowings

(#) Capital Employed = Total book value of all assets less current liabilities

Notes to the Financial Statement

(₹ in lacs)

Reason of variance where the variance exceeds 25% as compared to previous years:

Highly inflationary conditions and recessionary trends in USA & Europe and Russia Ukraine war has led to subdued demand of textile products in overseas market. This has also adversely impacted the domestic markets. Moreover, unprecedented raw material volatility and increasing interest rate have further led to lower profitability in the current financial year as compared to last financial year.

(a) Return on Equity Ratio, Net Profit Ratio & Return on Capital employed	The company achieved lower Turnover and Net Profits in Financial Year 2022-23 as compared to Financial Year 2021-22.
(b) Trade Receivables Turnover Ratio	The company achieved speedy realisation of debtors in Financial Year 2022-23 as compared to Financial Year 2021-22.
(c) Return on Investment	The company earned higher dividend in Financial Year 2022-23 as compared to Financial Year 2021-22.

32 Additional Regulatory Information as required by Schedule III of Companies Act, 2013

- (a) There are no proceedings which have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988.
- (b) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (c) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (d) The company has used the borrowings from banks and financial institutions for the purpose for which it was taken at the balance sheet date.
- (e) The company has borrowings from banks or financial institutions on the basis of security of current assets, and quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- (f) There are no transactions not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (g) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (h) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (i) The Company does not have any transactions with companies struck off.

Notes to the Financial Statement

(₹ in lacs)

- (j) There are no Loans or Advances in the nature of Loans granted to promoters, directors, KMPs and the related parties, either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.
- (k) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 33** The company has overseas operations at its branch in Poland and the financials of the period ended 31st March, 2023 has been incorporated in the audited financial statements of the company for the year ended 31st March, 2023.
- 34** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company is in the process of assessing the impact of the code and will record the same, if any, in the year the Code becomes effective.
- 35** The company has elected to exercise the option permitted under Section 115BAA of the Income tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019, during the current year. Accordingly, the Company has recognized income tax expense and re-measured its deferred tax liability on the basis of rate prescribed in the said section.
- 36** Figures for the previous year have been re-group/rearranged where ever necessary to make them comparable with current year

The Notes referred to above form an integral part of the accounts.
In terms of our report of even date attached herewith.

For **B. CHHAWCHHARIA & CO.**
Chartered Accountants
Firm Registration No: 305123E

Abhishek Gupta
Partner
Membership No: 529082

Place: Chandigarh
Date: 9th May, 2023

Ashish Bagrodia
(Chairman Cum
Managing Director)
DIN -00047021

Anil Kumar Sharma
(Executive Director Cum
Chief Executive Officer)
DIN -01157106

Sanjay Kumar Kedia
(Chief Financial Officer)

Videshwar Sharma
(Company Secretary)

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 42nd Annual General Meeting of the Members of **Winsome Textile Industries Limited**, will be held on Thursday, 21st day of September, 2023 at 10:00 A.M. at its Registered Office at 1, Industrial Area, Baddi, Distt. Solan (H.P.) - 173205 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Sh. Ashish Bagrodia (DIN-00047021), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Sh. Anil Kumar Sharma (DIN-01157106), who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

4. **To consider and if thought fit, to pass the following resolution as an ordinary resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act 2013, read with the 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 ₹75000/- (Rupees Seventy Five Thousand Only) to M/s K.K. Sinha & Associates, Cost Accountants, Chandigarh, (Firm Registration 100279), re-appointed by the Board of Directors as Cost Auditor of the company, for conducting Cost Audit of Company for the financial year 2023-2024, be and is hereby ratified and confirmed"

"RESOLVED FURTHER THAT the Board of Directors of the company, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do

all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

5. **To consider and if thought fit, to pass the following resolution as Special Resolution:**

"RESOLVED THAT pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any of the Companies Act, 2013 ("the Act") (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V to the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the approval of the Company be and is hereby accorded for re-appointment of Shri Anil Kumar Sharma (DIN 01157106), as an Executive Director and CEO (Whole-Time Director) of the Company, for a period of three years with effect from 12th February, 2023 to 11th February 2026 on the terms & conditions and remuneration as set out in the explanatory statement annexed to the Notice convening this Meeting".

"RESOLVED FURTHER THAT the Board be and is hereby authorized to alter or increase or vary the terms and conditions of the said re-appointment in such form and manner or with such modifications as the Board may deem fit without referring the same to the general meeting again."

"RESOLVED FURTHER THAT where any financial year, the Company has no profit or its profit are inadequate during the tenure of re-appointment of Shri Anil Kumar Sharma, the aforesaid remuneration shall be minimum remuneration."

"RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

6. To consider and if thought fit, to pass the following resolution as Special Resolution:

“RESOLVED THAT pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any of the Companies Act, 2013 (“the Act”) (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V to the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the approval of the Company be and is hereby accorded for payment of remuneration to Sh. Ashish Bagrodia (DIN 00047021), as Chairman and Managing Director of the Company, for remaining tenure of appointment up to 31st Jan 2026) on the remuneration as set out in the explanatory statement annexed to the Notice convening this Meeting”.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to alter or increase or vary the terms and conditions of the said remuneration in such form and manner or with such modifications as the Board may deem fit without referring the same to the general meeting again.”

“RESOLVED FURTHER THAT where any financial year, the Company has no profit or its profit are inadequate during the tenure of re-appointment of Sh. Ashish Bagrodia, the aforesaid remuneration shall be minimum remuneration.”

“RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

For and on behalf of the Board

Sd/-

(Ashish Bagrodia)

Chairman & Managing Director

DIN-00047021

Place: Chandigarh

Date: 08.08.2023

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 setting out material facts, pursuant to Section 102 of the Companies Act, 2013, Secretarial Standard 2 on General Meetings and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 in respect of 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 14.09.2023 to 21.09.2023 (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 an 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. Further, a brief resume of each of the directors proposed to be appointed/re-appointed at this AGM, nature of their expertise in specific function areas, name of companies in which they hold directorship and membership / chairmanships of Board Committees, shareholding and relationship between directors inter se as stipulated under Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and other requisite information as per Clause 1.2.5 of Secretarial Standard-2 on General Meetings are provided as an Annexure to this notice.
6. During the year under review no unclaimed and unpaid dividend was pending for transfer to IEPF. Although, the unclaimed dividend and shares transferred to the IEPF Authority by the Company in the previous year(s) can be claimed by the concerned shareholders by approaching the Investor Education and Protection Fund Authority.
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.
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. SEBI vide Notification no. SEBI/LAD/-NRO/GN/2018/24, dated 08th June, 2018 and further amendment vide notification no. SEBI/LAD/- NRO/GN/2018/49, dated 30th November, 2018, have prescribed that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the equity shares of the Company promptly.
14. SEBI vide Notification No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2022 and & SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, and further vide circular No: SEBI/HO/MIRSD/MIRSD-PoD\1/P/CIR/2023/37 dated 16th March 2023, had prescribed the common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination. In this regard RTA has dispatched letters to shareholders regarding updation of KYC, who have securities in physical form and informed to the stock exchange/SEBI regarding compliance of the same.
15. The notice of AGM along with Annual Report 2022-2023 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 also be made available on the Company's website at www.winsometextile.com.

16. 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.
17. The route map showing directions to reach the venue of the 42nd AGM is annexed.
18. As a measure of economy, copies of Annual Report shall 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.
19. Link Intime India Private Limited, having its office located at Noble Heights, 1st Floor, LCS Near Savitri Market, Janakpuri, New Delhi - 110058 (Tel. 011-49411000, Fax No. 011-41410591) is Registrar & Share Transfer Agent of the Company. The Shareholders can contact them for dematerialization, transmissions, communications for change of address, issue of duplicate shares, bank Mandates etc. directly.

20. 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 42nd 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") shall be provided by Link Intime India Private Limited (LIPL) (RTA of the Company).

- 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 shall commence on 16th September, 2023, at 9:00 A.M. (IST) and shall end on 20th September, 2023 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 14th September, 2023, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Link Intime India Private Limited (LIPL) for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL

- Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
- If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL

- Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
- After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
- If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
- Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

3. Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details:
 - A. User ID:**

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
 - B. PAN:**

Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. DOB/DOI:**

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
 - D. Bank Account Number:**

Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*Shareholders holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above

*Shareholders holding shares in **NSDL form**, shall provide ‘D’ above

 - Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
 - Click “confirm” (Your password is now generated).
3. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
4. After selecting the desired option i.e. Favour / Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘**Yes**’, else to change your vote, click on ‘No’ and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LI IPL at <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian / Mutual Fund / Corporate Body**’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘**Custodian / Mutual Fund / Corporate Body**’ login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at toll free no. 1800 22 55 33.

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case shareholders is having valid email address, Password will be sent to his/her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
 - During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.
- V. 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. 14th September, 2023, may obtain the login ID and password by sending a request at insta.vote@linkintime.co.in. However, if you are already registered with LIPL 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 <https://instavote.linkintime.co.in> or contact LIPL at the following toll free no.: 022 - 49186000.
- VI. 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. 14th September 2023.

- VII. 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.
- VIII. 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 two 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. Thereafter, the Chairman or a person authorized by him in writing shall declare the result of the voting forthwith.
- IX. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company i.e. www.winsometextile.com and on website of LIPL i.e. <https://instavote.linkintime.co.in> 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 BSE Limited, Mumbai.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, SECRETARIAL STANDARD-2 OF GENERAL MEETINGS AND REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, FORMING PART OF THE NOTICE OF THE ANNUAL GENERAL MEETING.

ITEM NO. 4

The Board of Directors, on the recommendation of Audit Committee have appointed M/s K.K. Sinha & Associates, Cost Accountants, as Cost Auditor of Company for the Financial Year 2023-2024 to conduct the Cost Audit of the Company on a total remuneration of ₹75,000/- (Rupees Seventy Five 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 by members of Company. The Board recommends the Ordinary Resolution at Items No. 4 of this Notice for approval of the Members.

NOTICE OF INTEREST

None of the Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested, in the Resolution set out at item no. 4 of the Notice.

ITEM NO. 5

Based on the recommendations of the Nomination and Remuneration Committee, the Board has re-appointed Sh. Anil Kumar Sharma, as an Executive Director & CEO (Whole Time Director) of the Company for a period of three years from 12th February 2023 to 11th February 2026, subject to the approval of shareholders of the company.

In terms of Clause 86 of the Article of Association of the Company, Sh. Anil Kumar Sharma shall be subject to retire by rotation during his tenure as an Executive Director and CEO (Whole Time Director) and it shall not be considered as a break in his fixed term of re-appointment.

The terms and conditions of his remuneration shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday) and will also be kept open at the venue of the AGM till the conclusion of the AGM.

The brief principal terms of remuneration of Sh. Anil Kumar Sharma as an Executive Director and CEO as recommended by the Nomination and Remuneration Committee and approved by the Board, subject to the approval of Shareholders of the Company for a period of

three years with effect from 12th February, 2023 are as follows:

1. Proposed Remuneration:

Basic Salary: ₹433582/- per month with an increment of ₹37500/- per month every year which will fall due on 1st April of every year. The first increment will be due on 1st April 2023. The increment amount may vary keeping in view the performance of the Company.

2. Perquisites & Allowances:

i) House Rent Allowance

As per rules of the Company applicable to the Senior Executives.

ii) Medical Reimbursement:

As per rules of the Company applicable to the Senior Executives.

iii) Club Fees:

Reimbursement of membership fee for one club including admission and life membership fees.

iv) Telecom & Computer Facilities:

As per requirements.

v) Insurance:

Payment of Insurance Premium for Life insurance, Group Insurance, Personal Accident Insurance, as per rules applicable to the Senior Executives of the Company.

vi) Car:

Free use of Company's car with driver.

vii) Leaves:

Leaves as applicable to Senior Executives of the Company and encashment of leaves as per rules of the Company.

viii) Loan(s) and Other Schemes:

Loan(s) and other schemes as per rules of the Company applicable to the Senior Executives.

ix) Other benefits and amenities:

Such other benefits and amenities as may be provided by the Company to other senior officers from time to time.

3. In addition to the perquisites as aforesaid, Sh. Anil Kumar Sharma Executive Director and CEO shall also be entitled to the followings benefits in accordance with the rules of the Company, which shall not be included in the computation of ceiling on remuneration:
 - i) Contribution to Provident Fund, Super Annuity Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
 - ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
 - iii) Encashment of leave, if any, at the end of the tenure.
4. Reimbursement of all entertainment, travelling, hotel and other expenses incurred in India and/or Abroad by Sh. Anil Kumar Sharma Executive Director and CEO during the course of and in connection with the business of the Company.
5. No sitting fee shall be paid to Sh. Anil Kumar Sharma Executive Director and CEO for attending the meeting of Board of Directors or any Committee thereof.

6. MINIMUM REMUNERATION:

In the event of inadequacy or absence of profit in any financial year during his tenure, Sh. Anil Kumar Sharma Executive Director and CEO shall be entitled to above remuneration along with the perquisites/benefits mentioned above by way of minimum remuneration.

The above shall be treated as a written memorandum setting out the terms of re-appointment of Shri Anil Kumar Sharma as an Executive Director and CEO (ED & CEO) of the Company under section 190 of the Act.

The Board recommends the Special Resolution for Item No.5 of this Notice for approval of members

NOTICE OF INTEREST

Except Sh. Anil Kumar Sharma (DIN: 01157106) and his relatives, none of the Directors and Key Managerial

Personnel of the Company and their respective relatives are in any way, concerned or interested, in the Resolutions set out at Item No. 5 of the notice.

ITEM NO. 6

Sh. Ashish Bagrodia was re-appointed on 01st February 2021 for a period of five years but remuneration was approved for three years only i.e. upto 31st January 2024. Now based on the recommendations of Nomination and Remuneration Committee, the Board of Directors have approved remuneration for remaining tenure of re-appointment i.e. upto 31st January 2026 (two years), which shall be effective from 01st February 2024, subject to the approval of shareholders of the Company.

In terms of Clause 86 of the Article of Association of the Company, Sh. Ashish Bagrodia shall be subject to retire by rotation during the period of his tenure as Chairman & Managing Director and it shall not be considered as a break in his fixed term of re-appointment.

The terms and Conditions of his remuneration shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday) and will also be kept open at the venue of the AGM till the conclusion of the AGM.

The brief principal terms of remuneration of Sh. Ashish Bagrodia as Chairman & Managing Director as recommended by the Nomination and Remuneration Committee and approved by the Board, subject to the approval of Shareholders of the Company for remaining tenure of re-appointment w.e.f. 01st February, 2024 are as follows:

1. Proposed Remuneration:

- (a) **Basic Salary:** ₹10,00,000/- per month with an increment of ₹80,000/- per month every year which will fall due on 1st April of every year. The first increment will be due on 1st April 2025. The increment amount may vary keeping in view the performance of the Company.
- (b) **Commission:** Minimum 1% of Net Profit of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013 and maximum as may be decided by Board of Directors considering the financial position of the Company & allied parameters and subject to the limits as specified in Section 197 and 198 read with Schedule V of the Companies Act, 2013 & rules made thereunder, as amended.

2. Perquisites & Allowances:

i) House Rent Allowance

- (a) Fully furnished residential accommodation. In case, the fully furnished residential accommodation is not provided, H.R.A. as per Company's Rules will be paid.
- (b) Expenses pertaining to gas, electricity, water and other utilities will be borne/reimbursed by the Company.

ii) Medical Reimbursement:

Reimbursement of actual medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical charges for himself and family along with mediclaim policy premium paid by the company.

iii) Leave Travel Concession:

Reimbursement of actual traveling expenses incurred in India and/or abroad once in a year in respect of himself and family.

iv) Club Fees:

Reimbursement of membership fee for clubs including admission and life membership fees.

v) Telecom & Computer Facilities:

As per requirements.

vi) Insurance:

Payment of Insurance Premium for Life Insurance, Group Insurance, Personal Accident Insurance, as per requirements.

vii) Car:

Free use of Company's car(s) with driver.

viii) Leaves:

Leaves as applicable to Senior Executives of the Company and encashment of leaves as per rules of the company.

ix) Loan(s) and Other Schemes:

Loan(s) and other schemes in accordance with the policies, rules and regulations in force in the Company from time to time subject to applicable laws.

x) Other benefits and amenities:

Such other benefits and amenities as may be provided by the Company to other senior officers from time to time.

3. In addition to the perquisites as aforesaid, Sh. Ashish Bagrodia, Chairman & Managing Director shall also be entitled to the followings benefits in accordance with the rules of the Company, which shall not be included in the computation of ceiling on remuneration:

i) Contribution to Provident Fund, Super Annuity Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

iii) Encashment of leave, if any, at the end of the tenure.

4. While travelling on the Company's business purposes, Sh. Ashish Bagrodia, Chairman & Managing Director shall be entitled to be accompanied by his wife and/or his family, and the entertainment, travelling, hotel and other incidental expenses incurred in India and/or abroad by him and/or his wife and/or his family will also be borne/reimbursed by the Company.

5. No sitting fee shall be paid to Sh. Ashish Bagrodia, Chairman & Managing Director for attending the meeting of Board of Directors or any Committee thereof.

6. MINIMUM REMUNERATION:

In the event of inadequacy or absence of profit in any financial year during his tenure, Sh. Ashish Bagrodia, Chairman & Managing Director shall be entitled to above remuneration along with the perquisites/benefits mentioned above by way of minimum remuneration.

The above shall be treated as a written memorandum setting out the terms of re-appointment of Sh. Ashish Bagrodia, Chairman & Managing Director of the Company under section 190 of the Companies Act, 2013.

The Board recommends the Special Resolution for Item No.6 of this Notice for approval of members.

NOTICE OF INTEREST

Except Sh. Ashish Bagrodia (DIN: 00047021) and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are in any way, concerned or interested, in the Resolutions set out at Item No. 6 of the notice.

The information as required by second proviso of Paragraph B of Section-II of Part-II of Schedule V of the Companies Act, 2013, is given below:

(I) General Information

(1) Nature of Industry:

The Company is engaged in the manufacturing of Textile products.

(2) Date of Commencement of Commercial Production:

Company started its Commercial Production in September 1980

(3) Financial Performance: Financial Performance of the Company for the year ended 31.03.2023 and 31.03.2022 are as under: (₹ in lacs)

Particulars	Year ended 31 st March 2023	Year ended 31 st March 2022
Total Revenues	87791.13	95817.59
Profit Before Interest and Depreciation	9492.87	13397.05
Less: Interest	3885.09	4269.34
- Depreciation	2156.78	2141.28
Net Profit/Loss before Tax	3451.00	6986.43
Less : Tax Expenses	999.21	2437.78
Net Profit/Loss after Tax	2451.79	4548.65
Total Comprehensive Income (Ind AS)	2441.00	4562.00

Export Performance and Net Foreign Exchange

(₹ in lacs)

Particulars	Year ended 31 st March 2023	Year ended 31 st March 2022
Foreign Exchange Earning	37808.91	53795.14
Less. Foreign Exchange Outgo	1746.22	1549.68
Net Foreign Exchange Earning	36062.69	52245.46

(4) Foreign Investments or Collaboration: The Company has not made any investments in foreign funds / securities and has no foreign collaborations.

(II). INFORMATION ABOUT THE APPOINTEE(S)

A. NAME: Sh. Anil Kumar Sharma

1) Back Ground Details, Job Profile and suitability:

Sh. Anil Kumar Sharma, aged 69 years, is a B.Tech from Punjab Agriculture University, Ludhiana and Masters in Business Administration from Department of Business, Punjab Agriculture University Ludhiana. Prior to joining the Company, he was associated with Vardhman Group for nearly 6 years in various positions and rose up to the level of Sales Head of one of the units. He has joined this Company in 1985 and since then after multiple promotions presently working as President and Chief Executive Officer of the Company (CEO-KMP).

2) Past Remuneration

Sh. Anil Kumar Sharma is presently working as Executive Director & Chief Executive Officer of the Company. The remuneration drawn by Sh. Anil Kumar Sharma during last three years is as under:

Financial Year ended	(₹ in lacs)
31.03.2023	94.43
31.03.2022	86.82
31.03.2021	65.41

3) Remuneration proposed:

The new remuneration package in the shape of salary and perquisites has already stated in the Explanatory Statement.

4) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin).

The remuneration proposed to be paid to the appointee is in line with the remuneration paid to the Managing/ Executive Directors of the other Companies. Keeping in view the type of industry and other responsibilities and capabilities of the appointee, the proposed remuneration is competitive with remuneration paid by other Companies to such similar positions.

5) Pecuniary relationship

Sh. Anil Kumar Sharma, Executive Director & Chief Executive Officer is one of the Key Managerial Personnel of the Company, hence a related party to the Company in terms of section 2(76) of the Companies Act, 2013. Apart this, he has no other pecuniary interest in the Company.

B. NAME: Sh. Ashish Bagrodia

1) Back Ground Details, Job Profile and suitability:

Sh. Ashish Bagrodia, aged 53 years is B. E. (Mech.) Hons. He is a distinguished person having more than two decades of core experience in Textile Industry & in various operational matters like projects developments, corporate planning, leadership and management. He holds coveted position in industrial parlance and has served various prestigious Industry associations as Director and member etc.

2) Past Remuneration

Sh. Ashish Bagrodia is presently working as Chairman & Managing Director of the Company. The remuneration drawn by Sh. Ashish Bagrodia during last three years is as under:

Financial Year ended	(₹ in lacs)
31.03.2023	184.82 (Includes Commission of ₹35.87 lacs)
31.03.2022	207.93 (Includes Commission of ₹72.66 lacs)
31.03.2021	77.13

3) Remuneration proposed:

The new remuneration package in the shape of salary and perquisites has already stated in the Explanatory Statement.

4) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

The remuneration proposed to be paid to the appointee is in line with the remuneration paid to the Managing/ Executive Directors of the other Companies. Keeping in view the type of industry and other responsibilities and capabilities of the appointee, the proposed remuneration is competitive with remuneration paid by other Companies to such similar positions.

5) Pecuniary relationship

Sh. Ashish Bagrodia, Chairman & Managing Director is one of the Promoter & Key Managerial Personnel (KMP) of the Company, hence a related party to the Company in terms of section 2(76) of the Companies Act, 2013.

(III) Other Information

Financial Year 2022-23 has been a challenging year with weakening global macro-economic conditions, slowing market growths in textile sector and war like situation in Europe have further aggravated the scenario. The speed of growth may remain sluggish in the forthcoming period(s) due to above mentioned factors and may results in inadequate profits/losses. As a result, the profits are/may/would be inadequate to absorb managerial remuneration of Shri Ashish Bagrodia, Chairman and Managing Director and Shri Anil Kumar Sharma, Executive Director and CEO.

The management is hopeful about profitable future operations subject to improvement in global macro-economic conditions including an end to war like situation in Europe.

(IV) Disclosures

1. The remuneration package along with the corresponding details payable to Sh. Anil Kumar Sharma and Sh. Ashish Bagrodia have already been mentioned above. Further the remuneration paid to directors has been included in the Board's Report and on Corporate Governance Report.
2. No performance incentive is proposed to be paid to Sh. Anil Kumar Sharma. It is proposed to pay commission to Sh. Ashish Bagrodia, subject to the condition that Company is in profit and the Board Considers it appropriate to pay the same.
3. The tenure of Sh. Anil Kumar Sharma and Sh. Ashish Bagrodia shall be governed by a service contract/written memorandum including resolution(s) passed for their appointment by the shareholders. The company has no Stock Option Scheme.
4. The aforesaid statements forms an integral part of this notice calling the Annual General Meeting.

ANNEXURE TO ITEM NO. 5 & 6 OF NOTICE

Details pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) and Secretarial Standard 2 on General Meeting with respect to Director retiring by rotation and being eligible seeking re-appointment is as under:

Name of Director	Ashish Bagrodia	Anil Kumar Sharma
Date of Birth	19.06.1970	29.06.1954
Nationality	Indian	Indian
Date of appointment on the Board	01.10.1996	13.02.2020
Director Identification Number	00047021	01157106
Qualifications	B. E. (Mech.) Hons.	MBA and B. Tech.
Experience & Expertise in specific Functional Areas	More than two decades of vast & rich experience in Textile Industry as team leader.	More than 40 years core experience in the field of marketing and administration of textile Industry.
No. of shares held in the Company as on 31.03.23	49220 Equity Shares of ₹10/- each.	NIL
No. of Board Meetings attended during the year	6 out of 6	6 out of 6
Directorship held in Other Public Ltd. Companies	Confederation of Indian Textile Industry (CIT)	Majestic Auto Limited Majestic IT Services Limited
Membership/Chairmanship of Committees held in Other Public Ltd. Companies (includes only Audit Committee & Stakeholder's Relationship Committee)	Chairmanship: NIL Membership: NIL	Chairmanship: 1 Company Membership: 3 Companies
Relationships between Directors inter-se	-	-
Remuneration details	Refer Corporate Governance Report	

Except Sh. Ashish Bagrodia (DIN:00047021) and Sh. Anil Kumar Sharma (DIN:01157106) and their relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are in any way, concerned or interested, in the Resolutions set out at item no. 5 and 6 of the Notice respectively.

For and on behalf of the Board

Sd/-

(Ashish Bagrodia)

Chairman & Managing Director

DIN-00047021

Place: Chandigarh

Date: 08.08.2023

WINSOME TEXTILE INDUSTRIES LIMITED

CIN:L17115HP1980PLC005647

Registered office : 1, Industrial Area, Baddi, Distt. Solan, H.P. - 173205,

Phone : 01795-244045, Fax : 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 42nd Annual General Meeting of the Company, to be held on Thursday, 21st day of September, 2023 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.	To receive, consider and adopt Audited Financial Statements of the Company together with the Reports of Board of Director's and Auditor's thereon for the year ended 31 st March, 2023.		
2.	Re-appointment of Shri Ashish Bagrodia (DIN-00047021) as Director who retires by rotation.		
3.	Re-appointment of Shri Anil Kumar Sharma (DIN-01157106) as Director who retires by rotation.		
Special Business			
4.	Ratification of remuneration of Cost Auditors.		
5.	Re-appointment of Shri Anil Kumar Sharma (DIN- 01157106) as an Executive Director & CEO of the company for a period of three years.		
6.	Approval of Remuneration of Shri. Ashish Bagrodia (DIN- 00047021) as Chairman & Managing Director of the Company for remaining tenure of re-appointment. (ie up to 31 st January 2026)		

Signed this day of 2023.

.....
Signature of Shareholder

.....
Signature of proxy holder(s)

Affix
Revenue
Stamp

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.

WINSOME TEXTILE INDUSTRIES LIMITED

CIN:L17115HP1980PLC005647

Registered office : 1, Industrial Area, Baddi, Distt. Solan, H.P. - 173205,
Phone : 01795-244045, Fax : 01795-244287, website : www.winsometextile.com, email : cswtil@winsometextile.com

ATTENDANCE SLIP

(To be presented at the entrance)

42ND ANNUAL GENERAL MEETING ON THURSDAY, 21ST DAY OF SEPTEMBER 2023 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.

WINSOME TEXTILE INDUSTRIES LIMITED

CIN:L17115HP1980PLC005647

Registered office : 1, Industrial Area, Baddi, Distt. Solan, H.P. - 173205,

Phone : 01795-244045, Fax : 01795-244287, website : www.winsometextile.com, email : cswtil@winsometextile.com

Route Map



Company Information

Board of Directors

Sh. Ashish Bagrodia

Chairman and Managing Director

Smt. Neena Singh

Non-Executive Independent Director

Smt. Manju Laxhanpal

Non-Executive Independent Director

Sh. Umesh Chander Sharma

Non-Executive Independent Director

Sh. Kapil Khanna

Non-Executive Independent Director

Sh. Anil Kumar Sharma

Executive Director & CEO

Chief Financial Officer

Sh. Sanjay Kumar Kedia

Company Secretary and Compliance Officer

Sh. Videshwar Sharma

Statutory Auditors

M/s B. Chhawchharia & Co.

Chartered Accountants,

Firm Registration No. 305123E

Cost Auditors

M/s K.K. Sinha & Associates

Cost Accountants

Secretarial Auditors

Sh. Ramesh Bhatia

Practicing Company Secretary

Bankers

UCO Bank

Central Bank of India

Union Bank of India (earlier Andhra Bank)

Bank of India

Canara Bank

Bank of Baroda (earlier Vijaya Bank & Dena Bank)

Registered Office

1, Industrial Area, Baddi, Distt. Solan

(H.P.)-173205

(website: www.winsometextile.com)

Corporate Office

SCO 191-192, Sector-34-A,

Chandigarh-160022

Registrar of Share Transfer Agent

Link Intime India Private Limited

Noble Heights, 1st Floor, LCS

Near Savitri Market, Janakpuri, New

Delhi-110058.

Corporate Identification No. (CIN)

L17115HP1980PLC005647



winsome
Textile Industries Ltd.



RADHA MADHAV MANDIR [At Unit - I, 1, Industrial Area, Baddi, HP]



LAKSHMI NARAYAN MANDIR [at Unit - II, Village Kaundi, Baddi, HP]

REGISTERED OFFICE:

1, Industrial Area, Baddi, Distt. Solan, Himachal Pradesh, 173205

CORPORATE/ADMINISTRATIVE OFFICE:

SCO: 191-192, Sector-34A, Chandigarh, 160022

FACTORY/UNIT:

1, Industrial Area, Baddi, Distt: Solan, Himachal Pradesh

Village - Kaundi, Baddi, Distt: Solan, Himachal Pradesh

M/s Winsome Textile industries limited, Small Hydro Electric Project
(Manuni SHEP- Kangra), VPO Khanyara Dharamshala, Distt. Kangra, Himachal Pradesh