

**Secretarial Compliance Report of M/s Winsome Textile Industries Limited for the year ended March 31 2022.**

I, Ramesh Bhatia, a Practicing Company Secretary has examined:

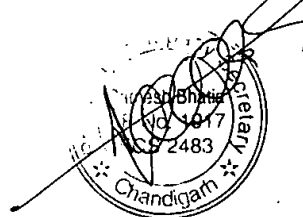
- (a) all the documents and records made available to me, and explanation provided by M/s Winsome Textile Industries Limited (hereinafter referred to as "the listed entity"),
- (b) the filings / submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other documents / filings, as may be relevant, which has been relied upon to make this certification,

for the year ended 31<sup>st</sup> March 2022 in respect of compliance with the provisions of:

- (1) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and
- (2) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI"); including
  - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - not applicable for the period under review
  - (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - not applicable for the period under review
  - (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - not applicable for the period under review
  - (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
  - (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013; - not applicable for the period under review
  - (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - (i) SEBI (Depositories and Participants) Regulations, 2018 erstwhile SEBI (Depositories and Participants Regulations, 1996

And based on the above examination, I hereby report that, during the Review Period

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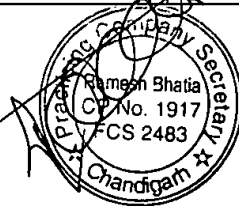


(a) The listed entity has complied with the provisions of the above Regulations and circulars / guidelines issued there under

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under insofar as it appears from my examination of those records.

© The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under:

Sr. No.	Action Taken by	Details of violation	Details of action taken	Observations / remarks of the Practicing Company Secretary
1	Securities and Exchange Board of India	Breach of the provisions of Sections 12 A (2) of the SEBI Act read with Section 231 of Securities Contract (Regulation) Act, 1956 read with Rule 5 of the Securities Contracts (Regulation) procedure for holding Enquiry and Imposing Penalties) Rules 2005  (Observation of the SEBI in their Final Order under Sections 11 (1), 11 (4) 11(4A), 11 B (1), 11 B (2) of SEBI Act	Inter-alia other directions in respect of GDR Issue and regarding bringing back the sum involved in transaction under consideration, the following disciplinary actions were taken by SEBI as per its orders No: WTM/AB/IVD/ID4/ 14459/ 2021-22 dated 15-12-2021:  1. <b>Winsome Textile Industries Limited</b> , (Noticee No 1) is restrained from accessing the Securities Market and further prohibited from buying, selling or otherwise dealing in securities including units of Mutual Funds, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of (3) years from the date of the order.  2. <b>Winsome Textile Industries Limited</b> , (NoticeE No 1) is hereby directed to undertake the measures to bring back the outstanding amount of the GDR proceeds, if any, as may be arrived at by the audit committee within a period of one year from such identification by the Audit committee.  3. <b>Mr. Ashish Bagrodia (Noticee No: 6)</b> is hereby restrained from accessing the Securities Market and further prohibited from buying, selling, or otherwise	As per the information provided during the Audit, the Company and the Directors including Ex-Directors have paid the penalties levied by the SEBI as per the details given below:  The Company has paid 33% of penalty imposed by SEBI on the company  The Total amount to be paid is Rs.4.4 Crores.  Sh. Ashish Bagrodia has paid 33% of the penalty levied amounting to Rs.13.20 Lacs out of the total amount of Rs.44.00 Lacs.

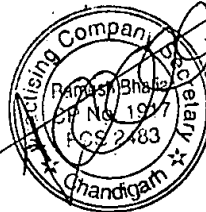


			<p>dealing in securities including units of Mutual Funds, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of (2) years from the date of the order.</p> <p>4. <b>Mr. Satish Girotra (Noticee No: 9) an Ex-Director</b> is hereby restrained from accessing the Securities Market and further prohibited from buying, selling or otherwise dealing in securities including units of Mutual Funds, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of (1) year from the date of the order.</p> <p>5. <b>Mr Manish Bagrodia (Noticee No 7) an Ex-Director</b> is hereby restrained from accessing the Securities Market and further prohibited from buying, selling or otherwise dealing in securities including units of Mutual Funds, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of (1) year from the date of the order.</p> <p>The Company and the following present and Ex-Directors have been imposed the following financial penalties:</p> <p>a) Winsome Textile Industries Limited under Section 15H A of SEBI Act and Section 23H of SCRA 1956</p> <p>Rs.4,40,00,000/- to be paid within 45 days from the date of the order.</p> <p>b). Mr. Ashish Bagrodia under Section 15HA of SEBI Act Rs.44,00,000/- to be paid within 45 days from the date of the order.</p> <p>c). Mr. Satish Girotra (Ex-Director) under Section 15HA of</p>	<p>Mr. Satish Girotra, Ex- Director of the company has paid 100% of the penalty of Rs.10,00.000/- with interest.</p> <p>No Details of payment</p> <p>We have been further told that the Company has filed an appeal against the said order of SEBI with The Securities Appellate Tribunal.</p>
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			<p>SEBI Act: Rs.10,00,000/- to be paid within 45 days from the date of the order.</p> <p>d). Mr. Manish Bagrodia (Ex-Director) under Section 15HA of SEBI Act: Rs.5,00,000/- to be paid within 45 days from the date of the order.</p> <p>During the period of restraint, the existing holding including units of Mutual Funds of the Noticees shall also remain frozen.</p> <p><b>Mr. Ashish Bagrodia</b>, further as a Director of Winsome Yarns Limited, vide SEBI order No: WTM/AB/IVD/ID4 /2/2021-22 dated 26<sup>th</sup> 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:</p> <p>In Addition to the above, SEBI vide order No: Order/MC/HP/2021-22 dated 30/11/2021 has also imposed a fine of Rs.10 Lacs on Mr. Ashish Bagrodia.</p>	<p>Sh. Ashish Bagrodia has paid 100% of the penalty levied amounting to Rs.10,20,712/- with interest as Ex-Director of Winsome Yarns Limited</p>
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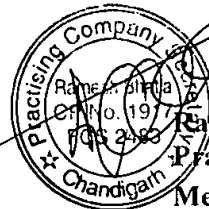
The listed entity has taken the following actions to comply with the observations made in previous reports:



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Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31.03.2020 & 31/03/2021	Actions taken by the listed entity if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	Regulation 17	Composition of the Board of Directors	The Company has appointed required number of Directors w.e.f. 29/05/2020 and the penalty levied by the BSE on the Company has since been waived	Necessary compliance has been made by the Company w.e.f 29/05/2020
2.	Regulation 19 (1) (a)	Composition of Nomination Committee	The Company has complied with the composition of Nomination and Remuneration Committee. Penalty levies has since been paid under protest.	Necessary Compliance has been made w.e.f 29/06/2020.

Place : Chandigarh  
Date : MAY 16, 2022  
UDIN No : F002483D000325102



Ramesh Bhatia  
Practising Company Secretary  
Membership No: FCS2483  
CP No :1917