

Secretarial Compliance Report of M/s Winsome Textile Industries Limited for the year ended March 31, 2023.

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

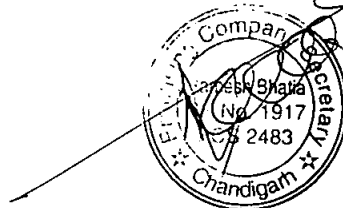
- (a) all the documents and records made available to me, and explanation provided by M/s Winsome Textile Industries Limited (hereinafter referred to as "the listed entity"),
- (b) the filings / submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) other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

for the year ended 31st March 2023 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
- (3) The Depository Act, 1996 and the Regulations and Bye laws framed there under;

The Specific Regulations, whose provisions and the circulars/guidelines issued there under have been examined, include:-

- (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) - 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



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- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- (i) Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999,
- (j) Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations 1993 regarding Companies Act and dealing with client.
- (k) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009 and Circulars/guidelines issued there under;

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

(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.

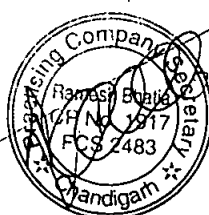
© The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under:

Sr. No.	Compliance requirement (Regulations/ circulars / guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action taken by	Type of Action	Details of violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
				Advisory/Clarification/Fin e/	Show Cause Notice	/ Warning, etc.				
NIL										

(d)The listed entity has taken the following actions to comply with the observations made in previous reports:

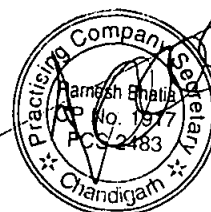
Sr. No.	Compliance Requirement (Regulations / circulars / guidelines including specific clause)	Regulation/Circular No.	Deviations	Action taken by	Type of Action	Details of violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
					Advisory/Clarification/Fin e/Show Cause Notice/ Warning, etc.					
	AS PER DETAILS GIVEN IN THE		ANNEXURE	A						

Additional affirmations in Annual Secretarial Compliance Report (ASCR) in terms of BSE Circular reference No: 20230316-14 dated: 16th March, 2021



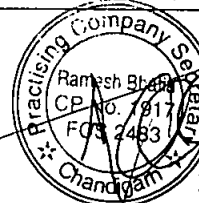
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Sr. No	Particulars	Compliance Status (Yes/No)	Observations/R emarks by PCS
1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)	YES	NA
2.	Adoption and timely updation of the Policies: • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/guidelines issued by SEBI	YES YES	NA
3.	Maintenance and disclosures on Website: • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website	YES	NA
4.	Disqualification of Director: None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	YES	NA
5.	To examine details related to Subsidiaries of listed entities: (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries	NA	The Company does not have any subsidiary company.
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015	YES	NA
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	YES	NA
8.	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit	YES	NA



	committee		
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	YES	NA
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	YES	NA
11.	Actions taken by SEBI or Stock Exchange(s), if any: No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued there under	YES	NA
12.	Additional Non-compliances, if any: No any additional non-compliance observed for all SEBI regulation/circular/guidance note etc	YES	NA

NOTE: Compliances related to resignation of statutory auditors from listed entities and their material Subsidiaries as per SEBI Circular No: CIR/CFD/CMD1/114/2019 dated 18th October, 2019 is Nil.

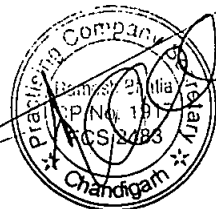


Place : Chandigarh
Date : MAY 09, 2023
UDIN No : F002483E000273556

Ramesh Bhatia
Practising Company Secretary
Membership No : FCS2483
CP No : 1917
PR NO: : 896

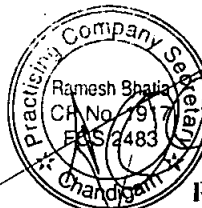
ANNEXURE A

Sr. No	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation/Circular No.	Deviations	Action taken by	TYPE OF ACTION Advisory /Classification/Fin e/Show Cause Notice/ Warning, etc.	Details of violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	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:			SEBI	<p>1. Winsome Textile Industries Limited, (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.</p> <p>2 Winsome Textile Industries Limited, (Notice 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.</p> <p>3. Mr. Ashish Bagrodia (Noticee No: 6) 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 (2) years from the date of the order.</p> <p>4. Mr. Satish Girotra (Noticee No: 9) an Ex-Director 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. Mr Manish Bagrodia (Noticee No 7) an Ex-Director 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</p>			<p>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:</p> <p>The matter was discussed in the Audit Committee meeting held on 14/02/2022 and concluded that the entire GDR funds have been received by the Company. The various FIRC's issued by Canara Bank were also verified by the Committee.</p> <p>The Company has paid 33% of penalty imposed by SEBI on the company</p> <p>The Total amount to be paid is Rs.4.4 Crores. The Company has filed an appeal with the SAT against the orders of SEBI vide appeal No: 348/2022. The outcome of the Appeal is still awaited.</p> <p>Sh. Ashish Bagrodia has paid 33% of the penalty levied amounting to Rs.13.20 Laacs Out of the total amount of Rs.44 Laacs</p> <p>The Company has filed an appeal with the SAT against the orders of SEBI vide appeal No: 348/2022. The outcome of the Appeal is still awaited.</p> <p>Mr. Satish Girotra Director of the company has paid 100% of the penalty of Rs.10,00,712/- with interest.</p> <p>The observation stands settled since the penalty levied has been paid.</p> <p>No Details of payment available</p>		



	<p>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>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 Aof 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 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>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.</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>We have been further told that the Company and its directors have filed an appeal against the said order with Securities Appellate Tribunal</p> <p>The Company and director have filed an appeal with the SAT against the orders of SEBI vide appeal No: 348/2022. The outcome of the Appeal is still awaited.</p> <p>Sh. Ashish Bagrodia has paid 100% of the penalty levied amounting to Rs.10.20.712/- with interest as Director of Winsome Yarns Limited</p> <p>The observation stands settled since the penalty levied has been paid</p>
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Place : Chandigarh
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Practising Company Secretary
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