



*34th
Annual Report
2014 - 15*



Winsome Textile Industries Limited

SPINNING



Carding



Comber



Speed Frame



Auto Coner

DYE HOUSE



Laboratory



Dyeing Platform



SSM Soft Package Winder



Effluent Treatment Plant

BOARD OF DIRECTORS

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

PRESIDENT & CHIEF EXECUTIVE OFFICER (CEO)

Shri Anil Sharma

CHIEF FINANCIAL OFFICER (CFO)

Shri Sanjay Kedia

COMPANY SECRETARY

Shri Sourabh Gupta

AUDITORS

M/s. Lodha & Co.
Chartered Accountants
12, Bhagat Singh Marg,
New Delhi - 110001

BANKERS

UCO Bank
Central Bank of India
Andhra Bank
Bank of India
Canara Bank
Vijaya Bank
Punjab National Bank
Dena Bank
Axis Bank

REGISTERED OFFICE

1, Industrial Area, Baddi,
Distt. Solan (H.P.) - 173205

CORPORATE OFFICE

SCO 191-192, Sector 34-A,
Chandigarh-160 022

SHARE TRANSFER AGENT

Link Intime India (P) Ltd.
44, Community Centre, 2nd Floor,
Naraina Industrial Area, Phase-I,
Near PVR, Naraina,
New Delhi-110 028

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NOTICE

WINSOME TEXTILE INDUSTRIES LIMITED

CIN L17115HP1980PLC005647

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

Phone No:- 01795-244045 Fax No:- 01795-244287

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

NOTICE is hereby given that the **34th Annual General Meeting of the Members of Winsome Textile Industries Limited**, will be held on Monday, the 28th day of September, 2015 at 10:00 A.M. at its Registered Office at 1, Industrial Area, Baddi, Distt. Solan (H.P.) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit & Loss Account for the year ended 31st March 2015, and the Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Ashish Bagrodia (DIN-00047021), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

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

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Smt. Neena Singh (DIN: 00233352), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for a period of five consecutive years with effect from 28th September 2015.

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

5. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded for re-appointment of Shri Ashish Bagrodia (DIN-00047021), as Managing Director of

the Company, for a period of 5 (five) years with effect from 01st February 2016, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Shri Ashish Bagrodia, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

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

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of Companies Act 2013, read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), the payment of remuneration of Rs. 65,000/- (Rupees Sixty Five Thousand Only) including out of pocket expenses, to M/s Aggarwal Vimal & Associates, Cost Accountants, Chandigarh, (Firm Registration No.00350), appointed by the Board of Directors as Cost Auditor of the Company, for conducting the audit of cost accounts of the Company for the financial year 2015-16, be and is hereby ratified and confirmed.

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

By order of the Board

Place : Chandigarh
Dated: 26.05.2015

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

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY SIGNED AND STAMPED NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.**
A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. 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 Corporate Members intending to send their authorized representative(s) are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote at the Meeting.
- 3 The Register of Members and Share Transfer Books of the Company will remain closed from 09.09.2015 to 11.09.2015 (both days inclusive).
- 4 Item No. 2: Detail of Director seeking re-appointment: Shri Ashish Bagrodia, DIN-00047021, Date of Birth 19.06.1970, is B. E. (Mech.) Hons. He also holds Directorship of Ethos Limited, Engineering Innovations Limited, IDS Infotech Limited, Vogue Commercial Co. Limited, Inde Dutch Engg. & Aerospace Services Limited, Confederation of Indian Textile Industry (Director/Committee Member) & PHD Chamber of Commerce & Industry (Director/Committee Member). He is holding 49220 equity shares in the Company. He is Chairman of CSR Committee, Risk Management and member of Stakeholders Relationship Committee of Company. The relatives of Shri Ashish Bagrodia may be deemed to be interested in the said resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, in this resolution.
- 5 According to section 205(A)(5) of the Companies Act, 1956, unclaimed dividend for the year 2007-2008 is due to be transferred to Investor Education and Protection Fund, in the month of October/November, 2015 and the unclaimed dividend for the year 2010-2011 is due to be transferred to Investor Education and Protection Fund, in the month of August/September 2018. The shareholders who have not claimed their dividend for the aforesaid years are requested to claim the same from the Company immediately.
Further during the year 2014-2015, a sum of Rs.49,861/-has been transferred to the Investor Education and Protection Fund (IEPF) towards unclaimed/unpaid dividend for the year 2006-2007.
- 6 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.
- 7 Members/proxies should fill the attendance slip for attending the Meeting.
- 8 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.
- 9 Relevant documents referred to in the proposed resolutions are available for inspection at the Registered office of the Company during business hours on all days except Saturdays, Sundays and Public holidays up to the date of the Annual General Meeting.

- 10 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.
- 11 The notice of AGM along with Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members who have so far not registered their email addresses & changes therein, are requested to register the same with their Depository Participant in case of electronic holdings under intimation to Registrar & Share Transfer Agent. In case of shares in physical form, members may register their email addresses & changes therein with Registrar & Share Transfer Agent of the Company. The Annual Report of the Company circulated to the Members of the Company, will be made available on the Company's website at www.winsometextile.com
- 12 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 immediately to the Registrar & Share Transfer Agent of the Company.
- 13 M/s Link Intime India Private Limited, having its office located at 44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase-I, Near PVR Naryana, New Delhi - 110028 (Tel. 011-41410592-94, Fax No. 011-41410591) is acting as Common Agency (Registrar & Share Transfer Agent) for dematerialisation and physical transfers of shares of the Company. The members should send their physical shares for transfers, transmissions, communications for change of address, issue of duplicate shares, bank details, ECS details, bank Mandates etc. directly to the aforesaid Registrar & Share Transfer Agent.
- 14 Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to special business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
- 15 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 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on all the resolutions proposed to be considered at the 34th 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 the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II The facility for voting through Polling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through Polling Paper.
 - III The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV The remote e-voting period commences on 25th September, 2015 at 9:00 A.M. (I.S.T.) and ends on 27th September, 2015 at 5:00 P.M. (I.S.T.). During this period, members' of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The instructions for e-voting are as under :-

- A. In case a Members receives an e-mail from NSDL [for Members whose e-mail addresses are registered with the Company/Depository Participant(s)] :-
- (i) Open the e-mail and also open the attached PDF file namely "**Winsome 2015 e-voting. Pdf**" with your Client ID (in case you are holding shares in demat mode) OR Folio No. (in case you are holding shares in physical mode) as password. The said PDF file contains your "User ID" and "Password" for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the URL <https://www.evoting.nsd.com>
 - (iii) Click on "Shareholder - Login".
 - (iv) If you are already registered with NSDL for e-voting then you can use your existing User ID and password and Click Login.
 - (v) If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - (vi) Password Change Menu appears. Change the password with a new password of your choice with minimum 8 digits/characters or combination thereof. Please keep a note of the new Password. It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
 - (vii) Home page of " e-Voting" opens. Click on e-Voting-Active Voting Cycles.
 - (viii) Select "**EVEN**" (E-Voting Event Number) of **Winsome Textile Industries Limited**.
 - (ix) Now you are ready for e-Voting as "Cast Vote" page opens.
 - (x) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted.
 - (xi) Upon confirmation, the message "vote cast successfully" will be displayed.
 - (xii) Once you have voted on the resolution, you will not be allowed to change/modify your vote.
 - (xiii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter copy etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail gmadan1959@gmail.com with a copy marked to evoting@nsdl.co.in.
- B. In case a Members receives physical copy of the Notice of AGM [for Members whose e-mail addresses are not registered with the Company/Depository Participant(s)] :-
- (i) Initial password is provide in the enclosed 'Instruction for e-voting' for the AGM.
EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN
 - (ii) Please follow all steps from Sr. No. (ii) to Sr. No. (xiii) above, to cast vote.
- V In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsd.com> or call at 1800-222-990.
- VI Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21st September, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsd.com or contact NSDL at the following toll free no.:1800-222-990.
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Winsome Textile Industries Limited

- VII The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 21st September, 2015.
- VIII Mr. Girish Madan, Practicing Company Secretary (Membership No. FCS-5017) has been appointed as the Scrutinizer to Scrutinize the remote e-voting process including polling papers in fair and transparent manner.
- IX The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- X The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company i.e. www.winsometextile.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Bombay Stock Exchange, Mumbai.

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

ITEM NO. 3

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

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

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

ITEM NO. 4

The Board of Directors of the Company pursuant to the recommendation of Nomination and Remuneration Committee have appointed Smt. Neena Singh (DIN-00233352) as an Additional Director of the Company with effect from 27th March 2015 pursuant to the provisions of Section 161(1) of the Act and Articles of Association of Company. In terms of the provisions of Section 161(1) of the Act, Smt. Neena Singh would hold office up to the date of the ensuing Annual General Meeting.

The Company has received notice pursuant to Section 160 of the Companies Act, 2013 from a member proposing the candidature of Smt. Neena Singh for the office of Director of the Company. Smt. Neena Singh is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Company has received declaration from Smt. Neena Singh that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

Smt. Neena Singh possesses appropriate skills, experience and knowledge, inter alia, in the field of banking & finance and allied areas. In the opinion of the Board, Smt. Neena Singh fulfills the conditions for her appointment as an Independent Director as specified in the Act and under Listing Agreement. Smt. Neena Singh is independent of the management. Keeping in view her vast expertise and knowledge, it will be in the interest of the Company that Smt. Neena Singh is appointed as an Independent Director. The Nomination and Remuneration Committee in its meeting held on 26th May.2015 have also recommended her appointment as an Independent Director for a period of five years w.e.f. 28th September, 2015.

Brief profile of Smt. Neena Singh (DIN-00233352):

She was born in Lucknow on 08.11.1956, did graduation and Masters of Education from Lucknow University. She had spent 18 years with State Bank of Patiala and held responsibilities as Branch Head, Planning Manager and Chief Manager International Banking at difference locations. She was the Former Executive Vice President of HDFC Bank (Oct 1996 -July 2007), Former Adviser of Mahatma Gandhi State Institute of Public Administration, Punjab (2011-2012) and Former Director of Chandigarh Industrial and Tourism Development Corporation (CITCO) (2005 - Feb 2014). She is also an active member of different NGO's, Trusts and involved in various social & allied activities/programs.

As on 31.03.2015, she is Director of Kuantum Papers Limited, Nectar Life Sciences Limited & Punjab Communications Limited. She is a member of CSR committee of Kuantum Papers Limited. She does not have any shareholding in the Company. Except Smt. Neena Singh and her relatives, none of the other Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested in this resolution.

In view of above, Board recommends this resolution for approval by the shareholders. This explanatory statement may also be regarded as disclosure under Clause 49 of the Listing Agreement.

ITEM NO. 5

Shri Ashish Bagrodia was re-appointed as Managing Director of the Company for a period of three years w.e.f. 01st February 2013 and now the current tenure of his appointment will expire on 31st January 2016. 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 corporate advisory/management. He holds coveted position in industrial parlance and has served various prestigious organizations, associations as Director and member etc. During his tenure as Managing Director, Company has successfully established its another Spinning Unit namely WTIL UNIT- II of 41088 Spindles in the Village Kaundi, Baddi, Distt. Solan, H.P. which started the commercial production in November 2013. Apart from it, the commissioning of Hydro Power Project of 3.5 M.W. is also underway, subject to requisite statutory permissions/approvals, for the time being in force. In his dynamic leadership, Company has received TEXPROCIL awards for export of processed yarns etc. several times.

In the opinion of Board of Directors, for smooth and efficient running of the administrative affairs of Company, the services of Shri Ashish Bagrodia should be continued for a further period of five years. Therefore pursuant to the recommendations of Nomination and Remuneration Committee in its meeting held on 26th May 2015, the Board of Directors in their meeting held on 26th May 2015 have re-appointed Shri Ashish Bagrodia as Managing Director of Company for a period of Five years w.e.f. 01st February 2016, subject to approval of shareholders of the Company.

In terms of Article 127(1) of Article of Association of Company, the period of office of Shri Ashish Bagrodia shall be subject to retire by rotation during the currency of his tenure as a Director/Managing Director and it shall not be considered as a break in his fixed term of re-appointment as Managing Director of Company.

The Board of Directors of the Company on the recommendations of Nomination and Remuneration Committee proposed the following remuneration for Shri Ashish Bagrodia w.e.f. 01st February 2016 as per the terms & conditions given below:-

I. REMUNERATION:

- a) **Basic Salary:** Rs.5,00,000/- per month with an increment of Rs.75,000/- per month every year which will fall due on 1st April of every year. The first increment will be due on 1st April 2017.
- 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, time to time, 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 time to time.
- c) **Perquisites:**
 - i) **Housing:**
 - (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 travelling 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) **Travelling Expenses:**

While travelling on the Company's business purposes, the Managing Director will be entitled to be accompanied by his wife and/or his family, and the travelling and other incidental expenses incurred by his wife and/or his family will also be borne/reimbursed by the Company.

ix) **Contribution to Provident Fund, Superannuation and Annuity Fund:**

The Company's contribution to Provident and Superannuation or Annuity Fund as per the rules of the Company applicable to Senior Executives.

x) **Gratuity:**

As per rules of the Company applicable to the Senior Executives.

xi) **Leave:**

Encashment of leave at the end of the tenure.

xii) **Loan and Other Schemes:**

Benefits under loan and other schemes in accordance with the policies, rules and regulations in force in the Company from time to time subject to applicable laws.

xiii) **Other benefits and amenities:**

Such other benefits and amenities as may be provided by the Company to other senior officers from time to time.

xiv) **Reimbursement of costs, charges and expenses:**

The Company shall pay or reimburse to the Managing Director and he shall be entitled to be paid and/or to be reimbursed by the Company all costs, charges and expenses that may have been or may be incurred by him for the purpose of or on behalf of the Company.

d) **Other Perquisites:**

Subject to an overall ceiling of remuneration stipulated in Section 197 and 198 of the Companies Act, 2013 other perquisites and/or allowances payable to the Managing Director shall be evaluated, wherever applicable, as per Income Tax Act, 1961 or any rules there under (including any statutory modification(s) or re-enactment thereof for the time being in force).

EXPLANATION:

Perquisites shall be evaluated as per the Income Tax Rules, wherever applicable and in the absence of any such rules, perquisites shall be evaluated at actual cost.

II. **OVERALL REMUNERATION:**

The aggregate of salary, commission and perquisites in any one financial year shall not exceed the limits prescribed or to be prescribed from time to time under section 198 and other applicable provisions of the Companies Act, 2013 read with Schedule V of the said Act for the time being in force.

III. **MINIMUM REMUNERATION:**

In the event of loss or inadequacy of profits in any financial year during the tenure of services of Managing Director of the Company, the payment of salary, commission, perquisites and other allowances shall be governed by the limits/ceilings prescribed under Section II of the Part II of Schedule V of Companies Act, 2013, as amended from time to time, subject to necessary sanctions & approvals, if so required.

The terms of appointment and remuneration given herein above may be altered, varied and increased from

time to time by the Board of Directors of the Company, at its discretion, if deem fit, after considering the overall performance of the Company and the recommendation of the Remuneration Committee, so as not to exceed the limits specified in the Companies Act 2013 or any modification or re-enactment therefore for the time being in force or any amendments made thereto.

Shri Ashish Bagrodia, DIN-00047021, Date of Birth 19.06.1970, is B. E. (Mech.) Hons. He also holds Directorship of Ethos Limited, Engineering Innovations Limited, IDS Infotech Limited, Vogue Commercial Co. Limited, Inde Dutch Engg. & Aerospace Services Limited, Confederation of Indian Textile Industry (Director/Committee Member) & PHD Chamber of Commerce & Industry (Director/Committee Member). He is holding 49220 equity shares in the Company. He is Chairman of CSR Committee, Risk Management and member of Stakeholders Relationship Committee of Company.

Shri Ashish Bagrodia satisfy all the conditions set out in Part-I of Schedule V of Companies Act 2013 and also the conditions set out under provisions of Section 196 of the Act for being eligible for re-appointment. He is not disqualified from being appointed as Director in terms of provisions of Section 164 of the Act. The above may be treated as a written memorandum setting out the terms of re-appointment of Shri Ashish Bagrodia.

Except Shri Ashish Bagrodia and his relatives, none of the other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, in this resolution.

In view of above, Board recommends this resolution for approval by the shareholders. This explanatory statement may also be regarded as disclosure under Clause 49 of the Listing Agreement.

ITEM NO. 6

The Board of Directors after considering the recommendations of Audit Committee have appointed M/s Aggarwal Vimal & Associates, Cost Accountants, as Cost Auditor of Company for the Financial Year 2015-2016 to conduct the Cost Audit of Cost Accounts of the Company on a total remuneration of Rs. 65,000/- (Rupees Sixty Five thousand only) including out of pocket expenses. According to provisions of section 148 of Companies Act 2013 read with Companies (Audit & Auditors) Rules 2014, the remuneration of Cost Auditor is subject to the ratification of members of the Company.

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

By order of the Board

Place : Chandigarh

Dated: 26.05.2015

Sd/

(ASHISH BAGRODIA)

CHAIRMAN & MANAGING DIRECTOR

DIN-00047021

Dear Shareholders,

Your Directors have pleasure in presenting the 34th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended 31st March, 2015.

Financial Highlights	Year ended 31.3.2015 (Rs.in lacs)	Year ended 31.3.2014 (Rs. in lacs)
Sales	64947.43	49882.79
Profit before Interest & Depreciation	10017.14	9488.14
Less : Interest	6139.95	4388.19
Profit/(Loss) before Depreciation	3877.19	5099.95
Less : Depreciation	1772.27	1624.10
Profit/ (Loss) before Tax	2104.92	3475.85
Less : Provision for Taxation - Current Tax(MAT)	445.41	606.80
- MAT Credit	(445.41)	(606.80)
- Deferred Tax Liability/(Assets)	812.44	1647.28
- MAT Credit earlier year	(140.29)	-
-Tax for earlier years	140.57	-
Net Profit/ (Loss) after Tax	1292.20	1828.57
Add : Surplus brought from previous year	4957.56	3128.99
	6249.76	4957.56
Appropriations :		
Proposed Dividend	NIL	NIL
Corporate Dividend Tax	NIL	NIL
Surplus Carried to Balance Sheet	6249.76	4957.56
	6249.76	4957.56

OPERATIONAL & PERFORMANCE REVIEW

During the year under review, your Company has achieved a sales turnover of Rs. 64947.43 lacs as against sales turnover of Rs. 49882.79 lacs during the previous year showing an increase of 30.20% and a net profit (after tax) of Rs. 1292.20 lacs for the year as against net profit (after tax) of Rs. 1828.57 lacs during the previous year. The export of the company for the current financial year was Rs. 22203.86 lacs as against Rs. 20436.66 lacs for the previous financial year.

The year under review has been quite volatile for the company. In April 2014, China announced its new cotton policy which led to decrease of international prices of cotton but most of the Indian mills including us had already covered our cotton requirements. This fall in international cotton prices led to fall of International Cotton yarn prices and consequently also prices in domestic markets. The international cotton prices which had been declining since April 2014 after the announcement by China to shift to the new cotton policy, has been range-bound since November 2014 at USD 1.5/Kg. Nevertheless, the prices remain significantly lower over the previous corresponding period. Increase in global stock levels outside China from the current estimates will lead to further pressure on the international cotton prices. In addition, Cotton Corporation of India (CCI) procured significant proportion of the India's cotton production in 2014-15. The price at which CCI sells the cotton can also be a key determinant of the international prices but certainly their sale policy will determine the domestic cotton prices.

Your company continues to focus on manufacturing of value added yarns and knitted fabrics to reduce the risks of volatility of pricing of commodity greige products.

AWARDS AND RECOGNITIONS

We are delighted to inform you that your Company has been presented with Silver Trophy by 'TEXPROCIL' for second Highest Exports of Cotton Yarn (Processed Yarns) in the Category II (Export Performance between Rs. 50 Cr. to 500 Cr.) for F.Y. 2013-2014. Your Company is making persistent efforts to maintain a distinctive position among its customers and stakeholders by providing different quality products.

EXPANSION PROJECT OF COMPANY

The Company's upcoming Hydro Power Project of 3.5 M.W. at Dharamshala, Distt. Kangra, Manuni Khad (H.P.) is at an advance stage and ready for commissioning in the current financial year subject to the completion of

necessary Statutory formalities/permissions, for the time being in force. The Company's new spinning unit located at Village Kaundi, Distt. Solan, H.P. is functioning with its full capacity and has further strengthened the Company's delivery chain.

TOTAL QUALITY MANAGEMENT

During the year under review, the Company has undertaken Total Quality Management (TQM) projects based on Dr. Juran's TQM philosophy for improvements in its process and procedures like improvement in winding efficiency in Dye house, reduction of water for dyeing and optimization of process performance in yarns etc. which lead to saving of Rs. 484 Lacs.

SUBSIDIARY COMPANY

During the year ended 31st March, 2015, the Company did not have any subsidiary company.

IS/ISO CERTIFICATIONS

Your Directors are pleased to inform you that during the year under review, your Company continues to be holder of certification of IS/ISO 18001:2007 for Occupational Health & Safety Management Systems (OHSMS), IS/ISO 9001:2008 for Quality Management Systems Certification and IS/ISO 14001:2004 Environmental Management System (EMS) Certification, issued by Bureau of Indian Standards. The company also holds various other certifications such as Organic Content Standard (OCS), Certification and Global Organic Textile Standards (GOTS) certification & SUPIMA licensee (special type of PUMA COTTON) etc.

FIXED DEPOSITS

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

DIVIDEND

Keeping in view to conserve the resources, your Directors do not recommend any dividend for the year under review.

KEY MANAGERIAL PERSONNEL (KMPs) AND INDEPENDENT DIRECTORS

The Board of Directors of the Company in their meeting held on 28th May 2014 have re-designated and appointed Shri Anil Sharma as President & Chief Executive Officer (CEO) of the Company and Shri Sanjay Kedia as Chief Financial Officer (CFO) of the Company w.e.f. 01st April 2014 under the provisions of section 203 of the Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Apart from above, Shri Ashish Bagrodia, Chairman & Managing Director and Shri Sourabh Gupta, Company Secretary are also Key Managerial Personnel of Company.

Further shareholders of the Company in their 33rd Annual General Meeting held on 29th September 2014 have appointed Shri Satish Girotra (DIN-01112511), Shri Chandra Mohan (DIN-00017621) and Shri Amrit Lal Bara (DIN-00399728) as Independent Directors of the Company for five consecutive years w.e.f. 29th September 2014 in terms of provisions of section 149, 152, Schedule IV and other applicable provisions, if any, of Companies Act 2013 read with Companies (Appointment and Qualification of Directors) Rules 2014.

DIRECTORS

During the year under review, Shri Satish Bagrodia, Chairman and Whole Time Director has resigned from Board of Directors of the Company w.e.f. 20th September 2014. Your Directors places on record their deep appreciation and wish to thank him for his immense and fruitful contribution during his tenure as Director on the Board. During his tenure, Company has been able to achieve a respectable position in the Textile Industries.

During the year, shareholders of Company in their Extra Ordinary General Meeting held on 27th March 2015 have approved for revision in basic salary structure of Shri Ashish Bagrodia, Managing Director, on such terms & conditions as set out in the notice of said meeting.

The Board of Directors of the Company, pursuant to provisions of section 203 of Companies Act 2013 & rules made thereunder and under Article 115A of Article of Association of Company, have appointed Shri Ashish Bagrodia, Managing Director, as Chairman and Managing Director of Company w.e.f. 27th March 2015.

Pursuant to the provisions of section 152 of Companies Act 2013 read with Companies (Appointment and Qualification of Directors) Rules, Shri Ashish Bagrodia, Director, retire by rotation and being eligible, offer himself for re-appointment.

Smt. Neena Singh was appointed as Additional Director w.e.f. 27th March 2015 in the capacity of an Independent Non-Executive Director. The Company has received requisite notice from a member proposing the candidature of Smt. Neena Singh for appointment as an Independent Director.

STATUTORY AUDITORS

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

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

COST AUDIT

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

Therefore, after considering the recommendations of Audit Committee, Board of Directors of the Company have appointed M/s Aggarwal Vimal & Associates, Cost Accountants, as Cost Auditor of Company for the Financial Year 2015 - 2016 to conduct Cost Audit of Cost Accounts of the Company on a total remuneration of Rs. 65,000/- (Rupees Sixty Five Thousand only) including out of pocket expenses. Although according to provisions of section 148 of Companies Act 2013 read with Companies (Audit & Auditors) Rules 2014, the remuneration of Cost Auditor is subject to the ratification of members of the Company. The Cost Audit Report for the Financial Year 2013-14 was due to be filed with the Ministry of Corporate Affairs on 30.09.2014 was filed on 23.09.2014.

AUDITOR'S REPORT

Observations made in the Auditor's Report are self explanatory and therefore do not call any further explanation.

SECRETARIAL AUDIT

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

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

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

STATUTORY DISCLOSURES

None of the Directors of the Company are disqualified under the provisions of section 164 of the Companies Act 2013. The Directors have made the requisite disclosures, as required under the Companies Act 2013 and Clause 49 of the Listing Agreement.

CORPORATE GOVERNANCE

The Company is committed to maintain the good standards of Corporate Governance. The Company has complied with the Corporate Governance requirements as stipulated under Clause 49 of the Listing Agreement. Pursuant to clause 49 of the Listing Agreement with the Stock Exchanges, the Report on Corporate Governance together with the Certificate issued by Practicing Company Secretary regarding compliance of Corporate Governance is annexed to this report.

DIRECTOR'S RESPONSIBILITY STATEMENT

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

- (a) in the preparation of annual accounts for the financial year ended 31st March, 2015, the applicable accounting standards have been followed and that there are no material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the profit or loss of the Company for the year ended on that date;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequately and operating effectively.

EXTRACT OF ANNUAL RETURN

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

NUMBER OF BOARD MEETINGS

During the financial year 2014-15, five board meetings were held. The meetings were held on 28th May 2014, 13th August 2014, 13th November 2014, 02nd February 2015 and 27th March 2015. As stipulated by Code of Independent Directors under Companies Act 2013 and under Listing Agreement, a separate meeting of independent directors was held on 27th March 2015. The other relevant details of Board meetings and the attendance of the Directors etc. is given under Corporate Governance Report annexed with Director's Report.

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors of the Company have submitted the Declaration of Independence, as required pursuant to section 149(7) of the Companies Act 2013 stating that they meet the criteria of independence as provided in sub-section (6).

PARTICULARS OF LOAN, GUARANTEE OR INVESTMENTS

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

RELATED PARTY TRANSCATIONS

All related party transactions are entered on arm's length basis & in ordinary course of business and are in compliance with the applicable provisions of the Act and Listing Agreement. There are no materially significant related party transactions made by the Company with the Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large. Thus disclosure in Form AOC-2 is not required. All related party transactions are placed before the Audit Committee and to Board for approval. The policy on Related Party Transactions envisages the procedure governing Related Party Transactions required to be followed by the Company to ensure the compliances with Law and Regulations. The related party transaction policy is uploaded on the Company's website under http://winsometextile.com/pdf/wtil/cp/related_party_trans_policy.pdf

During the year under review, Board of Directors of Company in their meeting held on 27th March 2015 have appointed Sh. Satish Bagrodia as advisor of Company in order to get benefit of his having more than four decades of core experience in the areas of projects developments, corporate planning, leadership and in strategic management relating to textile industry. The said appointment is made at arm's length basis under the provisions of section 188(1), 188(1)(f) of Companies Act 2013 and rules made thereunder and same has also been approved by shareholders of the Company in their Extra Ordinary General Meeting held on 06th May 2015.

POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Being an equal employment opportunity Company and to ensure that every employee of the Company is treated with dignity & respect and as mandated under "The Sexual Harassment of Women at Workplace (Prevention,

Prohibition and Redressal) Act, 2013, the Company has in place a formal policy for Prevention of Sexual Harassment of Employees at Workplace. The Management of the Company has also constituted Internal Complaint Committees at its workplaces to consider and redress the complaints of Sexual Harassment. During the F.Y. 2014-15, the Company has not received any complaint on sexual harassment. Two workshops/awareness programs were carried out against sexual harassment. The said policy is uploaded on the Company's website i.e. www.winsometextile.com under corporate policies.

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 have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report other than those disclosed in the financial statements.

RISK MANAGEMENT POLICY

Risk management is a continuous process across the organization designed to identify, assess and frame a response to threats that affect the achievement of its objectives. It enables management to prepare for risks before they devolve to improve the operational effectiveness. Determination of the risk appetite allows management to deploy resources according to the need. The Company firmly believes that to ensure effective risk management, there ought to be risk management plans to handle the risks based on the priorities and challenges of the business. The factors involved in identified risks must be considered and the accuracy of assessment is very important. This implies, if proper risk management is implemented as a best practice then massive capital losses can be prevented. The success of the Risk Management Framework depends on the efforts taken to mitigate/ reduce either the probability or consequence of the risk/ threat. Therefore considering the same, Company's Risk Management Policy includes three key elements:

- I. Risk Assessment
- II. Risk Management and Risk Mitigation
- III. Risk Monitoring

Risks are analyzed, considering likelihood and impact, as a basis for determining how they should be managed effectively. Adhering the same, Company has constituted Risk Management Committee and adopted an effective Risk Management Policy in its place to assess, mitigate and to monitor the different risks exposed to the industry in which it operates. The said policy is uploaded on the Company's website i.e. www.winsometextile.com under corporate policies.

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

The Nomination and Remuneration Committee constituted by the Company functions in accordance with the terms of reference as set out under provisions of Clause 49 of Listing Agreement read with provisions of Section 178 of the Companies Act, 2013 & rules made thereunder. Apart from other Corporate Policies which are mandatory under Companies Act as well as under Listing Agreement, the said Committee has also formulated and recommended to the Board a Nomination & Remuneration Policy relating to director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and all other matters as stipulated under the provisions of section 178 of Companies Act 2013.

The policy also relates to remuneration of Director's, KMP's and other employees of the Company. The said policy is given in **Annexure-4** and also uploaded on the Company's website i.e. www.winsometextile.com under corporate policies.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

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

framed by the Government time to time.

In pursuance to CSR Policy, the Company has decided to conduct or undertake all or any of prescribed activities/activity/sub-activity, as mentioned in Schedule VII of the Companies Act 2013 and rules & regulations made thereunder (as amended time to time), either by Company itself or by Winsome Foundation Trust or by both. To fulfill the CSR Activities/CSR Programmes, the Company will allocate a budget on annual basis which would be utilized only for CSR purpose as stipulated. Company will make regular contributions in the budget out of its net profits in each financial year so as to make a corpus. All the expenditures for CSR purpose will be made from this corpus only and Board will monitor and ensure that it does not include any expenditure on any item which is not in conformity or not in line with activities which fall within the purview of Schedule VII and rules & regulations prescribed under Companies Act 2013, as amended time to time.

Company has constituted a CSR Committee under section 135 of Companies Act 2013 and rules made thereunder to monitor the CSR activities/CSR projects, its mechanism & other prescribed activities/matters. During the financial year 2014-15, Four Corporate Social Responsibility Committee meetings were held on 28th May 2014, 13th August 2014, 13th November 2014 and 02nd February 2015. The composition, names of members, chairperson, particulars of the meetings and attendance of the members during the year are as below:

Sr. No.	Name of members	Category	No. of meetings attended during the year 2014-2015
1	*Shri Satish Bagrodia, Chairman	Executive Director	2
2	**Shri Ashish Bagrodia, Chairman	Executive Director	4
3	Shri Chandra Mohan, Member	Independent/Non-Executive	4
4	#Shri Satish Girotra, Member	Independent/Non-Executive	1

* resigned from Directorship of the Company w.e.f. 20.09.2014.

** appointed as Chairman of the Committee w.e.f. 29.10.2014.

Inducted as member of Committee w.e.f. 29.10.2014.

The relevant details as required under Companies (Corporate Social Responsibility Policy) Rules 2014 are given in **Annexure- 5**. Further the CSR policy is uploaded on the Company's website i.e. www.winsometextile.com under corporate policies.

INTERNAL FINANCIAL CONTROL SYSTEM AND ITS ADEQUACY

Your Company maintains an adequate and effective Internal Control system commensurate with its size and complexity. The Company has dedicated Internal Audit Department. Internal control systems provide, among other things, a reasonable assurance that transactions are executed with Management authorization and that they are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles and that the assets of your Company are adequately safeguarded against significant misuse or loss.

During the year under review, the Company continued to implement their suggestions and recommendations to improve the internal financial control environment. Their scope of work inter-alia includes review of operational efficiency, effectiveness of systems and processes and assessing the internal control strengths in all areas. In addition to statutory audit, the financial controls of the Company at various locations are reviewed by the Internal Auditors, who report their findings to the Audit Committee of the Board. The Audit Committee actively reviews the adequacy and effectiveness of internal control system and suggests to further strengthening the same, wherever required.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

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

DISCLOSURE REGARDING COMPANIES (SHARE CAPITAL AND DEBENTURE) RULES 2014

The paid up equity share capital of the Company as at 31st March 2015 was comprised of 1,98,20,000 equity shares of Rs. 10/- each i.e. Rs. 19,82,00,000/-. As required under Companies (Share Capital and Debenture) Rules 2014, during the year under review, the Company has not issued equity shares with differential voting rights, sweat equity shares, preference shares, employee stock options and also not made any provision for purchase of its own shares by employees or by trustees.

DISCLOSURE REGARDING VOTING RIGHT NOT EXERCISED DIRECTLY BY THE EMPLOYEES

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

AUDIT COMMITTEE

Audit Committee constituted by the Company functions in accordance with the terms of reference as set out under the provisions of Clause 49 of Listing Agreement read with provisions of Section 177 of Companies Act, 2013 & rules made thereunder and additional responsibilities assigned to it by Board of Directors of the Company. The Committee reviews the internal audit reports and findings of internal auditors along with the comments of management. The functions of the Audit Committee among others, include approving and implementing the audit procedures, effective supervision of financial reporting system, Whistle Blower Mechanism, internal control and procedures, recommending appointment of Statutory Auditors, Cost Auditors to Board and also ensuring compliances with regulatory guidelines. The Board has constituted the Audit Committee comprises of following:

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

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

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has adopted Whistle Blower Policy and has established 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. At the first instance, Employees can make Protected Disclosures or Complaints directly to the Sr. Vice President (HR) duly authorized & nominated by the Board in this behalf, within 30 days after becoming aware of the same. In case of non-receipt of any reply or response within a period of 15 days from the date of communication to Sr. Vice President (HR), he/she may directly approach to the Chairman of Audit Committee for proper redressal or remedial action. Although in exceptional cases and in extraordinary circumstances, which according to the understanding of Whistle Blower lead him to resort such measure, then he/she may directly approach to Chairman of Audit Committee along with reasons recorded writing for adopting such measure and his/her concern or complaint so identified or so noticed. All Protected Disclosures or Complaints referred by Sr. Vice President (HR) to the Chairman of Audit Committee under this Policy will be thoroughly investigated by Chairman and members of the Audit Committee of the Company which also include to oversee the entire investigation process and allied matters. No personnel have been denied access to the Audit Committee. No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure or complaint under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower.

The vigil mechanism/Whistle Blower Policy of the Company is uploaded on the Company's website i.e. www.winsometextile.com under corporate policies.

PERFORMANCE EVALUATION OF BOARD OF DIRECTORS

During the year under review, the Board adopted a formal mechanism for evaluating its performance and as well as that of its committees, individual Directors, including the Chairman of the Board in compliance with the Companies Act 2013 and Clause 49 of Listing Agreement. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board, its committee & members, their experience & competencies, performance of specific duties & obligations, governance and also in accordance with Performance Evaluation Policy of Company. Broadly the performance of Non-Independent/Executive/Whole Time Director(s) was evaluated on the basis of their own performance, expertise, intelligence, their qualitative & quantitative contribution towards operational achievements, organizational performance etc. The performance of Non-Executive Independent Directors were evaluated on the basis of their constructive participations in Board/Committee/General meetings, their informed & balanced decision-making, ability to monitor financial controls & systems & certain allied parameters. The performance evaluation of various Board Committees constituted under Companies Act & Listing Agreement was made on the basis of their respective terms of reference, discharge of functions, governance etc.

As stipulated by Code of Independent Directors under Companies Act 2013 and Listing Agreement, a separate meeting of independent directors was held on 27th March 2015 to review the performance of Non-Independent directors including the Chairman and the Boards as a whole. The Independent Directors also reviewed the quality, content and timeliness of flow 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.

DISCLOSURE OF INFORMATIONS AS REQUIRED UNDER SECTION 197 OF COMPANIES ACT 2013 AND RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The necessary disclosures as required under section 197 of Companies Act 2013 and rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure- 6**.

DISCLOSURE OF INFORMATIONS AS REQUIRED SECTION 197 OF COMPANIES ACT 2013 AND RULE 5(2) & 5(3) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The necessary disclosures regarding details of employee(s) remuneration as required under section 197 of Companies Act 2013 and rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure - 7**.

ACKNOWLEDGEMENT

Your Directors wish to convey their appreciation to all of the Company's employees for their enormous efforts as well as their collective contribution to the Company's performance. The Directors would also like to thank shareholders, customers, dealers, suppliers, Financial Institutions, bankers, Government and all the other business associates for the continuous support given by them to the Company and their confidence in its management.

By order of the Board

Place : Chandigarh

Dated: 26.05.2015

Sd/

(ASHISH BAGRODIA)

CHAIRMAN & MANAGING DIRECTOR

DIN-00047021

COMMENTS BY THE BOARD TO DIRECTOR'S REPORT

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

- (a) With regard to Auditor's observation no.(i) mentioned in Note No.26.3 of Notes to Accounts read with significant accounting polices, regarding non-provisioning against receivables amounting to Rs. 1089.44 lacs, the explanation of Directors are that the management is hopeful of recovery considering preparation of financial statement of the said body corporate as going concern basis, future prospects of revival of textile market and stable government policies, therefore no provision there against is considered necessary.
- (b) With regard to Auditor's observation no.(ii) mentioned in Note No. 26.7 of Notes to Accounts read with significant accounting polices, regarding non provision for shortfall in recovery (amount unascertainable) against overdue debt of Rs. 66.27 lacs (Previous Year Rs. 85.15 Lacs) as stated in the said note, the explanation of Directors are that the Company has taken legal and other persuasive actions for recovery of certain overdue Trade Receivable amounting to Rs. 66.27 lacs (includes overdue overseas Trade Receivable of Rs. 30.84 lacs). In the opinion of management, these debts are good and fully recoverable, hence no provision there against is considered necessary.

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015**

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, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliance and expressing my opinion thereon.

Based on my verification of the Winsome Textile Industries Limited 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 authorised 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 31/03/2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by Winsome Textile Industries Limited for the financial year ended on 31/03/2015 according to the provisions of :

1. The Companies Act, 2013 (the Act) and rules made thereunder ;
2. The Securities Contracts (Regulations) Act, 1956 (SCRA) and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye Laws framed thereunder ;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
6. Employees Provident Fund and Miscellaneous Provisions Act, 1956.
7. Employees State Insurance Act, 1948
8. Environment Protection Act, 1986 and other environmental laws.
9. Factories Act, 1948
10. Hazardous Wastes (Management & Handling) Rules 1989
11. Income Tax Act, 1961 and Indirect Tax Laws (sub. to the non deposit of disputed Excise Duty and Entry Tax as mentioned by the Statutory Auditors in their Notes)
12. Industrial Dispute Act, 1947

13. Minimum Wages Act, 1948
14. Payment of Bonus Act, 1965
15. Payment of Gratuity Act, 1972
16. Payment of Wages Act and other laws
17. The Industrial Employment Standing Order Act, 1946
18. The Employees Compensation Act, 1923
19. The Apprentices Act, 1961
20. The Contract Labour (Prohibition & Regulation) Act, 1986
21. The Indian Boilers Act No V of 1923.

I have also examined compliance with the applicable clauses of the following :

- (I) Secreterial Standards issued by the The Institute of Company Secretaries of India.
- (II) The Listing Agreement entered into by the Company with Bombay Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guideliens, Standards, etc. mentioned above.

I further report that :

The Board of Directors of the Company is duly consituted 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 Meeting, agenda and detailed notes on agenda were 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 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 guidlines.

I further report that during the audit period the Company has not taken any major decision pertaining to the followings events :

- (I) Public/Right/Preferential issue of share/ debentures/sweat equity etc.
- (II) Redemption/buy-back of securities
- (III) In pursuance to section 180 of Companies Act, 2013
- (IV) Merger/amalgamation/reconstruction, etc.
- (V) Foreign technical collaborations.

Place : Chandigarh
Date : 26.05.2015

Sd/-
Ramesh Bhatia
Practicing Company Secretary
FCS No. 2483
C P No. 1917

INFORMATION AS PER SECTION 134(3)(m) OF COMPANIES ACT 2013 READ WITH RULE 8 (3) OF COMPANIES (ACCOUNTS) RULES 2014 AND FORMING PART OF THE DIRECTOR'S REPORT FOR THE PERIOD ENDED 31ST MARCH, 2015.

I. CONSERVATION OF ENERGY

a) The steps taken or impact on conservation of energy :

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

b) The steps taken by the Company for utilizing alternate source of energy and capital investment on energy conservation equipment's:

During the year under review, there is savings in power consumption of Rs.14.34 Lacs but overall energy cost has not been reduced due to expansion and increase in unit rate of power. New equipment's, whenever required, are purchased from time to time. The capital investment on energy conservation equipment's was Rs 2.83 Lacs. D.G. set and grid power etc. is generally used by the Company with regard to alternate source of energy. The necessary details regarding total energy consumption and energy consumption per unit of production is as hereunder:

A) Power and Fuel consumption	<u>Current Year</u>	<u>Previous Year</u>
1. Electricity		
a) Purchased Unit (KW)	84776800	66392786
Total amount (Rs. in lacs)	4776.51	3776.72
Rate/Unit (Rs.)	5.63	5.69
b) Own Generation through		
FO/Diesel Generator Unit (KW)	1051983	751646
Units/Ltr.of Diesel Oil/FO	3.41	3.33
Cost/Unit(Rs./KW)	14.74	13.72
2. Coal (Specify quality and where used) (KG)		
Pet Coke for Boiler	5353628	5056405
3. HSD & Furnace Oil Qty. (MT)		
Total amount (Rs.in lacs)	NIL	NIL
Average rate (Rs.per M.T.)	NIL	NIL
4. Gas		
Total amount (Rs.in lacs)	NIL	NIL
Average rate(Rs.per Kg)	NIL	NIL
B) Consumption per Unit of Production		
Electricity /Own Generation (KW)	3.12	3.39
HSD & Furnace Oil (Lts)	NIL	NIL
Gas (Kgs)	NIL	NIL

II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption:

1) Research & Development (R&D)

a) Specific area in which R&D carried by the Company :

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

- b) Benefits derived as a result of the above R&D

The Company has been continuously improving the quality of its existing products and entered into new products and entered into new products and also been able to reduce the cost of production.

- c) Future plan of Action :

Management is committed to strengthen R&D activities further to improve its competitiveness in times to come.

d) Expenditure on R&D	(Rs. in lacs)
Capital	NIL
Revenue	67.83
Total	67.83

Total R&D Expenditure as a percentage of Total Turnover = 0.10%

2) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

- a) Efforts, in brief, made towards technology absorption, adaptation and innovation :

- Equipments of latest technology have been installed without any Foreign Technical Know- how and imported technology.

- b) Benefits derived as a result of the above efforts e. g. product improvement, cost reduction, product development, import substitution etc;

— There has been benefit in respect of quality and output of the product.

- c) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year) — Nil

III. FOREIGN EXCHANGE EARNING AND OUTGO

- a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans.

Sustained efforts have helped the Company to achieve Exports (including Deemed Exports) of Rs.22203.86 lacs in 2014-15 against Rs. 20436.66 lacs in 2013-14. The Company proposes to increase exports through the introduction of new products in the markets.

- b) **Total foreign exchange used and earned.**

	(Rs. in lacs)	
	<u>Current Year</u>	<u>Previous Year</u>
Earnings	19226.61	19685.75
Outgo	905.05	2999.36

By order of the Board

Place : Chandigarh
Dated: 26.05.2015

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

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2015**

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

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Spinning	2351/2352/2471/2472	46.91
2.	Dyeing	2360/2480	32.09

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

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% Change during the year
A. Promoters									
(1) Indian									
a) Individual/HUF	147660	-	147660	0.75	147660	-	147660	0.75	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-

Winsome Textile Industries Limited

d) Bodies Corp.	6541999	-	6541999	33.01	6553801	-	6553801	33.07	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	6689659	-	6689659	33.75	6701461	-	6701461	33.81	0.06
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	6689659	-	6689659	33.75	6701461	-	6701461	33.81	0.06
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	419649	-	419649	2.12	401347	-	401347	2.02	-0.10
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	102654	-	102654	0.52	2205779	-	2205779	11.13	10.61
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	522303	-	522303	2.64	2607126	-	2607126	13.15	10.51
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	5670197	200	5670397	28.61	5601629	200	5601829	28.26	-0.35
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	217981	35209	253190	1.28	238919	34909	273828	1.38	0.10
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	226901	-	226901	1.14	361401	-	361401	1.82	0.68
c) Others (NRI's & Trust)	6830	720	7550	0.04	6760	720	7480	0.04	0.00
Sub-total (B)(2):-	6121909	36129	6158038	31.07	6208709	35829	6244538	31.51	0.44

Winsome Textile Industries Limited

Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs	6450000	-	6450000	32.54	4266875	-	4266875	21.53	-11.01
Grand Total (A+B+C)	19783871	36129	19820000	100.00	19784171	35829	19820000	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the company	% of shares Pledged / encumbered to total Shares	% change in share holding during the year
1.	Sh. S.C.Bagrodia	44770	0.23	-	-	-	-	-0.23
2.	Sh. Manish Bagrodia	46220	0.23	-	46220	0.23	-	0.00
3.	Sh. Ashish Bagrodia	49220	0.25	-	49220	0.25	-	0.00
4.	Smt. Vandya Bagrodia	3000	0.02	-	3000	0.02	-	0.00
5.	Smt. Sudha Bagrodia	4450	0.02	-	49220	0.25	-	0.23
6.	Vogue Commercial Co. Ltd.	46847	0.24	-	46847	0.24	-	0.00
7.	Roselab Commodities Pvt. Ltd.	3490121	17.61	-	3501923	17.67	-	0.06
8.	Kailashpati Vinimay Pvt. Ltd.	3005031	15.16	-	3005031	15.16	-	0.00
	Total	6689659	33.75	-	6701461	33.81	-	0.06

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Market Purchase/ Transfer		Cumulative Shareholding during the year	
		No. of shares	% of total shares of Company	Date of Change	No. of Share Increase/ Decrease	No. of shares	% of total shares of company
	At the beginning of the year	6689659	33.75	-	-	6689659	33.75
1.	Roselab Commodities Pvt. Ltd. (By Market Purchase)			11.04.2014	5150	6694809	33.78
				16.04.2014	852	6695661	33.78
				17.04.2014	500	6696161	33.78
				21.04.2014	100	6696261	33.79
				23.04.2014	600	6696861	33.79
				25.04.2014	300	6697161	33.79
				28.04.2014	500	6697661	33.79
				29.04.2014	200	6697861	33.79
				30.04.2014	3600	6701461	33.81
2.	Sh. Satish Bagrodia (By Transfer)			24.09.2014	-44770	6656691	33.59
3.	Smt. Sudha Bagrodia (By Transfer)			24.09.2014	44770	6701461	33.81
	At the End of the year	6701461	33.81	-	-	6701461	33.81

Winsome Textile Industries Limited

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

Sl. No.	Top 10 Shareholders	Shareholding at the beginning of the year		Market Purchase/Sale		Cumulative Shareholding during the year		% change in share holding during the Year
		No. of shares	% of total shares of Company	Date of Change	No. of Share Increase/ Decrease	No. of shares	% of total shares of the Company	
1	Aspire Emerging Fund	-	-	- 13.03.2015 27.03.2015 31.03.2015	- 1980000 -75000 -80000	- 1980000 1905000 1825000	- 9.99 9.61 9.21	- 9.99 -0.38 -0.40
2	Landscape Traders Pvt. Ltd.	1332092	6.72	- 27.03.2015 31.03.2015	- 20000 14000	1332092 1352092 1366092	6.72 6.82 6.89	- 0.10 0.07
3	Arpit Agencies Pvt. Ltd.	1290799	6.51	31.03.2015	-	1290799	6.51	-
4	Daniel Vinimay Pvt. Ltd.	926190	4.67	- 30.06.2014 31.03.2015	- 40000 -	926190 966190 966190	4.67 4.87 4.87	- 0.20 -
5	Santosh Kumar Kejriwal Securities Pvt. Ltd.	517751	2.61	- 02.05.2014 09.05.2014 23.05.2014 30.05.2014 20.02.2015 27.02.2015 06.03.2015 13.03.2015 31.03.2015	- 7000 10000 4500 4500 -30500 -12000 -70000 -45000 -20000	517751 524751 534751 539251 543751 513251 501251 431251 386251 366251	2.61 2.65 2.70 2.72 2.74 2.59 2.53 2.18 1.95 1.85	- 0.04 0.05 0.02 0.02 -0.15 -0.06 -0.35 -0.23 -0.10
6	Ankur Agencies Pvt. Ltd.	500000	2.52	- 13.06.2014 08.08.2014 15.08.2014 29.08.2014 12.09.2014 30.09.2014 17.10.2014 14.11.2014 05.12.2014 06.02.2015 13.02.2015 27.02.2015 31.03.2015	- 6700 27500 12500 17500 17000 12500 20500 10000 20000 7500 15000 12500 -	500000 506700 534200 546700 564200 581200 593700 614200 624200 644200 651700 666700 679200 679200	2.52 2.56 2.70 2.76 2.85 2.93 3.00 3.10 3.15 3.25 3.29 3.36 3.43 3.43	- 0.03 0.14 0.06 0.09 0.09 0.06 0.10 0.05 0.10 0.04 0.08 0.06 -
7	ICICI Bank Ltd.	419449	2.12	- 06.06.2014 20.06.2014 30.09.2014 20.02.2015 27.02.2015 13.03.2015 31.03.2015	- -5020 -1561 -6900 -1595 -1266 -1960 -	419449 414429 412868 405968 404373 403107 401147 401147	2.12 2.09 2.08 2.05 2.04 2.03 2.02 2.02	- -0.03 -0.01 -0.03 -0.01 -0.01 -0.01 -
8	Mini Builders Pvt. Ltd.	268930	1.36	- 25.04.2014 02.05.2014 09.05.2014 16.05.2014 23.05.2014 18.07.2014 31.03.2015	- -5000 -6500 -8000 -4000 -4000 1500 -	268930 263930 257430 249430 245430 241430 242930 242930	1.36 1.33 1.30 1.26 1.24 1.22 1.23 1.23	- -0.03 -0.03 -0.04 -0.02 -0.02 0.01 -
9	Park Chambers Limited	230700	1.16	31.03.2015	-	230700	1.16	-

Winsome Textile Industries Limited

10	Humble Agencies Pvt. Ltd.	150000	0.76	-	-	150000	-	-
				06.07.2014	-2700	147300	0.74	-0.01
				13.07.2014	-25000	122300	0.62	-0.13
				20.07.2014	-15000	107300	0.54	-0.08
				01.08.2014	-7500	99800	0.50	-0.04
				08.08.2014	-18000	81800	0.41	-0.09
				15.08.2014	-14500	67300	0.34	-0.07
				29.08.2014	-6000	61300	0.31	-0.03
				19.09.2014	-5000	56300	0.28	-0.03
				10.10.2014	-5000	51300	0.26	-0.03
				17.10.2014	-10500	40800	0.21	-0.05
				28.11.2014	-15000	25800	0.13	-0.08
				06.02.2015	-12500	13300	0.07	-0.06
				13.02.2015	-7500	5800	0.03	-0.04
				20.02.2015	-2500	3300	0.02	-0.01
31.03.2015	-3300	-	-	-0.02				
31.03.2015	-	-	-	-				
11	Highbluesky Emerging Market Fund	102654	0.52	-	-	102654	0.52	-
				13.02.2015	203125	305779	1.54	1.02
				31.03.2015	-	305779	1.54	-

Note : The above are market purchase & sale during the year.

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

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		Name of the Director/ KMP	No. of shares	% of total shares of the company	No. of shares
1.	*Sh. Satish Bagrodia	44770	0.23	-	-
2.	Sh. Ashish Bagrodia	49220	0.25	49220	0.25
3	Sh. Satish Girotra	250	0.00	250	0.00
3.	Sh. Chandra Mohan	-	-	-	-
4.	Sh. Amrit Lal Batra	-	-	-	-
5.	**Smt. Neena Singh	-	-	-	-
6.	Sh. Anil Sharma- CEO	-	-	-	-
7.	Sh. Sanjay Kedia- CFO	-	-	-	-
8.	Sh. Sourabh Gupta- CS	-	-	-	-

* During the year, Sh. Satish Bagrodia has resigned from Directorship of the Company w.e.f.20.09.2014 and his entire shareholding was transferred.

** Appointed as Additional Director w.e.f. 27.03.2015.

V. INDEBTEDNESS

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

(Rs. in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	41704.87	-	-	41704.87
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.53	-	-	0.53
Total (i+ii+iii)	41705.40	-	-	41705.40

Winsome Textile Industries Limited

Change in Indebtedness during the financial year

Addition	460.04	-	-	460.04
Reduction	4126.23	-	-	4126.23
Net Change	-3666.19	-	-	-3666.19

Indebtedness at the end of the financial year

i) Principal Amount	38022.07	-	-	38022.07
ii) Interest due but not paid	17.14	-	-	17.14
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	38039.21	-	-	38039.21

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :-

(Rs. in Lacs)

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Sh. Satish Bagrodia (WTD) Upto 20th September 2014.	Sh. Ashish Bagrodia (MD)	
1.	Gross salary	16.00	37.80	53.80
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.76	3.03	4.79
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	9.97	21.04	31.01
	- others, specify...	-	-	-
5.	Others, please specify (Provident fund)	1.92	3.24	5.16
	Total (A)	29.65	65.11	94.76
	Ceiling as per the Act	10% of net profits of the Company calculated as per section 198 of Companies Act, 2013.		

Winsome Textile Industries Limited

B. Remuneration to other directors:

(Rs. in Lacs)

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
	1. Independent Directors	Sh. Chandra Mohan	Sh. Satish Girotra	Sh. Amrit Lal Batra	
	Fee for attending board / committee meetings	0.45	0.35	0.45	1.25
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	0.45	0.35	0.45	1.25
	2. Other Non-Executive Directors	-	-	-	-
	Fee for attending board / committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	0.45	0.35	0.45	1.25
	Total Managerial Remuneration	0.45	0.35	0.45	1.25
	Overall Ceiling as per the Act	1% of Net profits of the Company calculated as per section 198 of Companies Act, 2013.			

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

(Rs. in Lacs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		Sh. Anil Sharma (CEO)	Sh. Sanjay Kedia (CFO)	Sh. Sourabh Gupta (CS)	Total
1.	Gross salary	36.66	17.53	9.43	63.62
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.15	0.15	0.15	0.45
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit	-	-	-	-
	- others, specify...				
5.	Others, please specify (Provident fund)	2.53	1.21	0.65	4.39
	Total	39.34	18.89	10.23	68.46

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

By order of the Board

Place : Chandigarh

Dated: 26.05.2015

Sd/

(ASHISH BAGRODIA)

CHAIRMAN & MANAGING DIRECTOR

DIN-00047021

Nomination and Remuneration Policy of Winsome Textile Industries Limited**1. Introduction**

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

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

2. Key Objectives of Policy

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

3. Applicability

This policy is applicable to :

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

The said policy is applicable with immediate effect.

4. Definitions

- i **"Act"** means Companies Act, 2013 and rules thereunder, as amended time to time.
- ii **"Board of Directors"** or **'Board'**, in relation to the Company, means the collective body of the directors of the Company including the Chairperson/Chairman of the Company.
- iii **"Committee"** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the provisions of Section 178 of Companies Act, 2013 and the Listing Agreement, as amended time to time.
- iv **"Director"** means a Director appointed to the Board of a Company.
- v **"Independent Director"** means a Director referred under provisions of Section 149 of the Companies Act, 2013 and rules thereunder and as provided under Clause 49 of Listing Agreement, as amended time to time.
- vi **"Key Managerial Personnel"** mean key managerial personnel as defined under the Companies Act, 2013 & rules made thereunder, including any amendment or modification thereof, and includes
 - 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.
- vii **"Senior Management"** means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.
- viii **"Remuneration"** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- ix **"Policy or This Policy"** means "Nomination and Remuneration Policy."
- x **"Interpretation"** The terms, words & expressions, that have not been defined in this Policy shall have the same meaning respectively assigned to them in the Companies Act, 2013, rules made thereunder, Listing Agreement and/or any other SEBI Regulation(s) as amended from time to time.

5. Major Functions of Nomination and Remuneration Committee

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

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- To carry out/to perform such other function as as may be necessary or appropriate or as may be assigned/delegated/mandated to it by the Board from time to time and/ or enforced by any Statutory notification, Amendment or Modification, as may be applicable.

The aforesaid Policy will ensure that:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

6. APPOINTMENT AND REMOVAL OF DIRECTOR'S, KMP'S AND SENIOR MANAGEMENT PERSONNEL**(1) Appointment criteria and qualifications:**

- A The Committee shall identify and ascertain the suitable person(s) and recommend to the Board his/her appointment/re-appointment for appointment as Director(s), KMP(s) or at Senior Management level.
- B A person should possess adequate qualifications, expertise and experience for the position he/she is considered for appointment/re-appointment. The appointee may be assessed by the committee against a range of criteria which include but not limited to integrity, qualification, expertise, industry experience, inter-personal skill, and such other appropriate qualities of the person(s), as may be required, to handle/perform successfully the position so chosen with due regard for the benefits from diversifying the Board.
The Committee/Board has discretion to decide whether the qualification, knowledge, expertise, functional skill and experience etc. possessed by a person are sufficient / satisfactory for the concerned position.
- C The Company shall appoint or re-appoint the Director/Managing Director/Whole-time Director/Manager in accordance with the provisions, rules and regulations as framed under the Companies Act 2013, rules made thereunder and under Listing Agreement, as amended time to time.
- D Appointment of Independent Director is subject to the compliance of provisions of section 149 of the Companies Act, 2013, read with schedule IV and rules made thereunder, and under Listing Agreement, as amended time to time.

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

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

(ii) Independent Director :

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

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

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

time to time.

(3) Letter of Appointment

Each Independent Director/KMP's/Senior Management Personnel, as the case may be, is required to sign the Letter of appointment with the Company containing the terms & conditions of his/her appointment/re-appointment and the role/profile assigned in the Company.

(4) Removal

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

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

(5) Retirement

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

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

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

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

7A General Provisions:

- i The remuneration/compensation/commission etc. to Directors, KMP's, Senior Management Personnel will be determined by the Committee and recommended to the Board for approval.
- ii The remuneration /compensation/commission etc. to be paid to Directors, shall be as per the Statutory provisions of Companies Act, 2013, and rules made thereunder for the time being in force and shall be subject to the prior/post approval of shareholders of the Company and Central Government, wherever required/applicable.
- iii Where any insurance is taken by a company on behalf of its Managing Director, Whole-time Director, Manager, Directors, Chief Executive Officer, Chief Financial Officer or Company Secretary for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

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

(1) Fixed Pay/ Base Compensation

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

Director, Managing Director, Executive Director or Manager (as the case may be) will be within the limits/slabs as approved by the Shareholders in their general meeting & will be paid in accordance with their respective terms and conditions of appointment/re-appointment.

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

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

(2) Minimum Remuneration

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

(3) Provisions for excess remuneration

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

7C Remuneration to Non-Executive / Independent Directors

i Remuneration / Commission

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

ii Sitting Fees

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

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

iii Stock Options

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

8. Review and Amendment

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

By order of the Board

Place : Chandigarh

Dated: 26.05.2015

Sd/

(ASHISH BAGRODIA)

CHAIRMAN & MANAGING DIRECTOR

DIN-00047021

Annual Report on Corporate Social Responsibility (CSR) activities for F.Y. 2014-15**1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs**

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

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

In pursuance to CSR Policy, the Company has decided to conduct or undertake all or any of prescribed activities/activity/sub-activity, as mentioned in Schedule VII of the Companies Act 2013 and rules & regulations made thereunder (as amended time to time), either by Company itself or by Winsome Foundation Trust or by both. Winsome Foundation Trust is a Charitable Trust registered under Income Tax Act and established by Company who also fulfills the criteria laid down under Companies (CSR Policy) Rules 2014. The Company has constituted Corporate Social Responsibility (CSR) Committee as required under section 135 of Companies Act 2013 and rules made thereunder to monitor/review the CSR activities/CSR projects, its mechanism & other prescribed activities/matters. The CSR policy is available on the Company's website <http://winsometextile.com/pdf/wtil/cp/csr.pdf>

2. Composition of CSR Committee

* Shri Satish Bagrodia - Chairman of Committee

** Shri Ashish Bagrodia - Chairman of Committee

Shri Chandra Mohan - Member

#Shri Satish Girotra - Member

* resigned from Directorship of the Company w.e.f. 20.09.2014.

** appointed as Chairman of the Committee w.e.f. 29.10.2014.

inducted as member of Committee w.e.f. 29.10.2014.

3. Average net profit of the company for last three financial years

Rs. 890.24 Lacs

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

Rs. 17.80 Lacs

5. Details of CSR spent during the financial year

(a) Total amount to be spent for the financial year; Rs. 17.80 Lacs

(b) Amount unspent, if any; NIL

(c) Manner in which the amount spent during the financial year is detailed below:-

6. In case the company has failed to spend the two per cent of the average net profit of the last three

Winsome Textile Industries Limited

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.N.	CSR project or activity identified	Sector in Which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) or programewise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs- (2) Overheads:	Cumulative expenditure upto the reporting period.	Amount spent: Direct or through implementing agency
1.	Healthcare	(i)	Baddi, Kaundi, Chandigarh & Delhi	Rs. 17.80 Lacs	Rs. 17.96 Lacs	Rs. 17.96 Lacs	Amount spent directly: Rs. 1.92 Lacs Amount spent through Winsome Foundation Trust: Rs. 16.04 Lacs
2.	Education	(ii)					
3.	Environmental & Ecological	(iv)					
4.	Rural Development	(x)					
	TOTAL			Rs. 17.80 Lacs	Rs. 17.96 Lacs	Rs. 17.96 Lacs	Rs. 17.96 Lacs

financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

NIL

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

**Sd/
(Anil Sharma)
Chief Executive Officer**

**Sd/
(Ashish Bagrodia)
Chirman of CSR Committee
(DIN-00047021)**

**Date: 26.05.2015
Place: Chandigarh**

Disclosure of Remuneration Under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. **Ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the financial year 2014-15.**

* Sh. Satish Bagrodia (Chairman & Whole Time Director) : 10.74:1

Sh. Ashish Bagrodia (Chairman & Managing Director): 23.59:1

ii. **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during the financial year 2014-15:**

1. * Sh. Satish Bagrodia - Chairman & WTD - % Decrease in remuneration by 54%.

2. Sh. Ashish Bagrodia - Chairman & Managing Director - % Decrease in remuneration by 5%.

3. Sh. Sanjay Kedia - CFO - % Increase in remuneration by 15%.

4. Sh. Anil Sharma - CEO - % Increase in remuneration by 19%.

5. Sh. Sourabh Gupta - CS - % Increase in remuneration by 19%.

iii. The percentage increase in the median remuneration of Employees for the financial year 2014-15 was 14.5%.

iv. The Company has 1865 permanent Employees on the rolls of Company as on 31st March, 2015.

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

vi. **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company :** The total remuneration of Key Managerial Personnel in 2014-15 was Rs. 163.21 Lacs and Profit After Tax in 2014-15 was Rs. 1292.20 Lacs while the % of total remuneration of Key Managerial Personnel Vs. Profit After Tax was 12.63%.

vii. The Market Capitalization of Company as on 31st March 2015 was Rs.71.35 crores as compared to Rs.107.03 crores as on 31st March, 2014. The price earnings ratio of the Company was 5.52 as at 31st March, 2015 and was 5.85 as at 31st March, 2014. The closing price of shares of the Company as on 31.03.2015 at BSE was Rs. 36/-. The IPO of Company came out in the year 1983 at Rs.10/- each. However these are not comparable as the Company has done a rights issue, stock split and consolidation of shares during the intervening period.

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

Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year 2014-2015 was 16.8% whereas the % decrease in the managerial remuneration was 14%.

Winsome Textile Industries Limited

- ix **Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company :**

Name	Designation	Remuneration 2014-15 (In Lacs) p.a.	Profit After Tax (In Lacs) 2014-15	% of Remuneration of Each Director /KMP to Profit After Tax
*Sh. Satish Bagrodia	Chairman & W.T.D.	29.65	1292.20	2.29%
Sh. Ashish Bagrodia	Chairman & Managing Director	65.11	1292.20	5.04%
Sh. Anil Sharma	Chief Executive Officer	39.34	1292.20	3.04%
Sh. Sanjay Kedia	Chief Financial Officer	18.89	1292.20	1.46%
Sh. Sourabh Gupta	Company Secretary	10.23	1292.20	0.79%

***Note:** Sh. Satish Bagrodia has resigned from Board of Directors w.e.f. 20th September 2014. Therefore his managerial remuneration has considered only upto 20th September 2014 while making aforesaid calculations.

- x **The key parameters for any variable component of remuneration availed by the Directors:** NIL.
- xi. **The ratio of the remuneration of the highest paid Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year :** NIL.
- xii. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

By order of the Board

Place : Chandigarh
Dated: 26.05.2015

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

Winsome Textile Industries Limited

Annexure - 7

Disclosure of information as required under section 197 of Companies Act 2013 and rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The necessary disclosure regarding details of employee(s) remuneration is as hereunder:

i Name and Designation of the employee	Shri Satish Bagrodia as Advisor of Company.
ii Remuneration received	Rs. Five Lacs Per Month w.e.f. 01st March 2015.
iii Nature of employment	Full Time employment of Company.
iv Qualifications & experience	B.Sc. Engg. (Mech.) & FIE. Core Experience about 50 years in textile industries.
v Date of commencement of employment	01st March 2015.
vi Age	76 years.
vii Last employment held	Winsome Textile Industries Limited as Chairman & Whole Time Director.
viii Percentage of equity shares held in Company	NIL as on 31st March 2015.
ix Whether such employee is a relative of any director or manager of the company	Yes, Shri Satish Bagrodia is father of Shri Ashish Bagrodia, Chairman & Managing Director.

By order of the Board

Place : Chandigarh

Dated: 26.05.2015

Sd/

(ASHISH BAGRODIA)

CHAIRMAN & MANAGING DIRECTOR

DIN-00047021

CORPORATE GOVERNANCE REPORT

1. Company's philosophy on code of Governance

Corporate governance is a value-based framework to manage our Company affairs in a fair and transparent manner. As we use this framework to maintain accountability in all our affairs. We have evolved guidelines and best practices over the years to ensure timely and accurate disclosure of information regarding our financials, performance, leadership and governance of the Company.

2. Board of Directors

The Board of Directors of your Company has an optimum combination of Executive and Non-Executive Directors so as to have a balanced structure. As on 31st March 2015, the Board of Directors consists of five Directors, out of which one is Promoter Director (Executive Managing Director and four are Non-Executive Independent Directors out of which there is one woman Director i.e. Smt. Neena Singh who was appointed as Additional Director in the capacity of an Independent Non-Executive Director. None of the Directors on the board is a member on more than 10 committees and Chairman of more than 5 committees (as specified in clause 49 of the Listing Agreement with Stock Exchange), 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 specified in Section 149 of Companies Act 2013 and rules made thereunder and meet with requirements of Clause 49 of Listing Agreement.

During the financial year 2014-15, five board meetings were held. The meetings were held on 28th May 2014, 13th August 2014, 13th November 2014, 02nd February 2015 and 27th March 2015. As stipulated by Code of Independent Directors under Companies Act 2013 and under Listing Agreement, a separate meeting of independent directors was held on 27th March 2015 to review the performance of Non-Independent directors including the Chairman and the Boards as a whole. The Independent Directors also reviewed the quality, content and timeliness of follow 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, as also the number of Directorships/ Committee memberships/ Chairmanship held by them in other Companies are given below:

No. of Directorship and Committee Membership/Chairmanship as on 31.03.2015 :-

Name of the Director	Category	Attendance Particulars		No. of Directorship	No. of Membership/ Chairmanship in Committees +		
		Board Meeting	Last AGM	Other Directorship	Membership	Chairmanship	Total
Shri Satish Bagrodia	Chairman*	2	No	2	-	-	-
Shri Chandra Mohan	INED	5	No	6#	4	-	4
Shri Satish Girotra	INED	4	Yes	9#	-	2	2
Shri Amrit Lal Batra	INED	5	No	-	2	-	2
Shri Ashish Bagrodia	MD**	5	Yes	7	1	-	1
Smt. Neena Singh	INED***	-	N.A.	3	-	-	-

INED : Independent Non Executive Director

MD : Managing Director (Executive)

* : Shri Satish Bagrodia, has resigned from Board of Directors w.e.f. 20.09.2014.

: Directorship includes Private Limited Companies.

** : Shri Ashish Bagrodia, Managing Director, was appointed as Chairman and Managing Director of Company w.e.f. 27.03.2015.

*** : Smt. Neena Singh was appointed as Additional Director w.e.f. 27.03.2015.

+ : The committees considered for the above purpose are those as specified in Clause 49 of the Listing Agreement(s) i.e. Audit Committee and Stakeholders Relationship Committee.

3. Code of Conduct

In terms of provisions of Clause 49 of the Listing Agreement and contemporary practices of good Corporate Governance, the Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct is posted on the website of the Company. All Board members and Senior Management Personnel have affirmed compliance with the Code. A declaration signed by Shri Anil Sharma, Chief Executive Officer (CEO) of the Company to this effect is enclosed at the end of this report.

4. CEO and CFO Certification

Shri Sanjay Kedia, Chief Financial Officer (CFO) & Shri Anil Sharma, Chief Executive Officer (CEO) of the Company have certified to the Board under the provisions of Clause 49 (IX) of the Listing Agreement, inter-alia, dealing with the review of financial statements and cash flow statement for the year ended on 31st March 2015, transactions entered into by the Company during the said period, their responsibility for establishing and maintaining internal control systems for financial reporting and evaluation of the effectiveness of the internal control system and making of necessary disclosures to the Auditors and the Audit Committee have been duly complied with. The said certificate is attached herewith and forms part of the Annual Report.

5. Audit Committee

Audit Committee functions in accordance with the terms of reference as set out under the provisions of Clause 49 of Listing Agreement read with provisions of Section 177 of the Companies Act, 2013 & rules made thereunder and additional responsibilities assigned to it by Board of Directors of the Company. The Committee reviews the internal audit reports and findings of internal auditors along with the comments of management. The functions of the Audit Committee among others, include approving and implementing the audit procedures, effective supervision of financial reporting system, Whistle Blower Mechanism, internal control and procedures, recommending appointment of Statutory Auditors, Cost Auditors to Board and also ensuring compliances with regulatory guidelines. The composition, names of members, chairperson, particulars of the meetings and attendance of the members during the financial year are as below:

During the financial year 2014-15, Five Audit Committee meetings were held on 28th May 2014, 13th August 2014, 13th November 2014, 02nd February 2015 and 27th March 2015.

S. No.	Name of Members	Category	No. of meetings attended during the year 2014-2015
1	Shri Satish Girotra, Chairman	Independent/Non-Executive	4
2	Shri Chandra Mohan, Member	Independent/Non-Executive	5
3	Shri Amrit Lal Batra, Member	Independent/Non-Executive	5

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

6. Nomination and Remuneration Committee

The Nomination and Remuneration Committee functions in accordance with the terms of reference as set out under provisions of Clause 49 of Listing Agreement read with provisions of Section 178 of the Companies Act, 2013 & rules made thereunder. The Nomination and Remuneration Committee have formulated different policies as required under the Companies Act as well as under Listing Agreement i.e. Performance Evaluation Policy of Board of Directors, Nomination & Remuneration Policy relating to remuneration of the Directors, KMPs & other employees and Board Diversity Policy. The same are available on website of Company at www.winsometextile.com.

During the financial year 2014-2015, four meetings of Nomination and Remuneration Committee were held on 28th May 2014, 13th August 2014, 02nd February 2015 and 27th March 2015.

S. No.	Name of Members	Category	No. of meetings attended during the year 2014-2015
1.	Shri Satish Girotra, Chairman	Independent/Non-Executive	3
2	Shri Chandra Mohan, Member	Independent/Non-Executive	4
3	Shri Amrit Lal Batra, Member	Independent/Non-Executive	4

The details of remuneration paid to the Directors during the year 2014-15 are given below:-

Remuneration Policy

The objective of this Policy is directed towards having a compensation philosophy and structure that will reward and retain talent. The Company has adopted and implemented the provisions of Section 178 of the Companies Act, 2013 on the requirement of the Committee to recommend to the Board a policy, relating to the remuneration for the directors, KMPs and other employees.

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 sitting fee was revised during the year to Rs.10,000/-. Now the Non-Executive Directors are entitled to Sitting fees of Rs. 10,000/- for each Board Meeting or Committee of the Board. The aforesaid sitting fees is within the limits prescribed under Companies Act, 2013 and rules made thereunder. The details of remuneration paid to the Non-Executive Directors during the year 2014-15 are given below:

Non-Executive	(Amount in Rs.)	
Name of Directors	Sitting Fees	Total
Shri Chandra Mohan	45000	45000
Shri Satish Girotra	35000	35000
Shri Amrit Lal Batra	45000	45000

ii) Remuneration of Executive Directors

The details of remuneration paid to the Executive Directors during the year 2014-15 are given below:

Name of Directors	Salary	Perquisites*	Commission**	Total
Shri Satish Bagrodia #	16.00	3.68	9.97	29.65
Shri Ashish Bagrodia	37.80	6.27	21.04	65.11

Resigned w.e.f. 20th September 2014.

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

** Commission @1% of Net profit of the Company computed in accordance of section 198 of Companies Act 2013.

There is no Employee Stock Option Scheme (ESOP) in the Company as on 31st March 2015. Further, there are no pecuniary relationships or transactions of Non-Executive Director vis-a vis the Company which has potential conflict with the interest of the Company at large.

7. Stakeholders Relationship Committee

The Stakeholders Relationship Committee functions in accordance with the terms of reference as set out under provisions of Clause 49 of Listing Agreement read with provisions of Section 178 of the Companies Act, 2013 & rules made thereunder i.e. redressing of Shareholders/Investors complaints, regarding to share transfers, non-receipt of balance sheet/dividend by the shareholders etc. During the financial year 2014-15, four Stakeholders Relationship Committee meetings were held on 28th May 2014, 13th August 2014, 13th November 2014 and 02nd February 2015. The composition, names of the members, chairperson, particulars

Winsome Textile Industries Limited

of the meetings and attendance of the members during the year are as below:

S. No.	Name of members	Category	No. of meetings attended during the year 2014-2015
1	Shri Satish Girotra, Chairman	Independent/Non-Executive	3
2	Shri Chandra Mohan, Member	Independent/Non-Executive	4
3	Shri Amrit Lal Batra, Member	Independent/Non-Executive	4
4	Shri Ashish Bagrodia, Member	Executive Director	4

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

8. Risk Management Committee

The Clause 49 mandates for constitution of Risk Management Committee. The Committee is required to lay down the procedures to inform to the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing, implementing and monitoring the risk management plan of the Company. Adhering the same, Company has constituted a Risk Management Committee and adopted a Risk Management Policy under which there are three key elements i.e. Risk Assessment, Risk Management & Risk Mitigation and Risk Monitoring. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework. The Risk Management Policy is available on website of Company at www.winsometextile.com.

During the financial year 2014-15, three Risk Management Committee meetings were held on 13th August 2014, 13th November 2014 and 02nd February 2015. The composition, names of the members, chairperson, particulars of the meetings and attendance of the members during the year are as below:

S. No.	Name of Members	Category	No. of meetings attended during the year 2014-2015
1	*Shri Satish Bagrodia, Chairman	Executive Director	1
2	**Shri Ashish Bagrodia, Chairman	Executive Director	3
3	Shri Satish Girotra, Member	Independent/Non-Executive	2
4	# Shri Amrit Lal Batra, Member	Independent/Non-Executive	2

* Resigned from Directorship of the Company w.e.f. 20.09.2014.

** Appointed as Chairman of Committee w.e.f. 29.10.2014.

Inducted as member of Committee w.e.f. 29.10.2014.

9. 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 and rules made thereunder. The necessary details of the same are mentioned in the Director's Report.

10. Whistle Blower Policy

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. 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 website of Company at www.winsometextile.com.

11. General Body Meetings

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

Year	Venue	Date	Time
2011-2012	1, Industrial Area, Baddi, Distt- Solan (H.P.)	24/09/12	10.00 A.M.
2012-2013	1, Industrial Area, Baddi, Distt- Solan (H.P.)	27/09/13	10.00 A.M.
2013-2014	1, Industrial Area, Baddi, Distt- Solan (H.P.)	29/09/14	10.00 A.M.

Extra Ordinary General Meeting

Year	Venue	Date	Time
2014-15	1, Industrial Area, Baddi, Distt- Solan (H.P.)	27/03/15	10.00 A.M.

During the last three years, one special resolution on 24.09.2012, one special resolution on 27.09.2013 and three special resolutions on 29.09.2014 as set out in the respective notices, were passed by the shareholders. Further in aforesaid EGM, two special resolutions were passed as set out in its notice. In compliance with the law, all the members were given an option to vote through electronic means on all the resolutions of the notices by using the NSDL platform in AGM of the Company held on 29.09.2014 as well as in EGM held on 27.03.2015. Apart from it, Company has also hold an EGM on 06.05. 2015 at registered office of Company at 10:00A.M. under which one special resolution as set out in the said notice was passed. E-Voting facility through NSDL was provided in the said meeting.

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.

12. Subsidiary Company

During the year ended 31st March, 2015, neither the Company has any subsidiary nor any material listed/unlisted subsidiary company.

13. Disclosures

The company has formulated the policy on dealing with Related Party Transactions in pursuance to the provisions of clause 49 of Listing Agreement. All related party transactions of the Company are dealt with in accordance with the said policy and as per provisions of section 188 of Companies Act 2013 & rules made thereunder. There are no materially significant related party transactions made by the Company with its promoters, Directors or Key Managerial Personnel, their relatives etc. that may have potential conflict with the interest of the Company at large. Suitable disclosures as required by the Accounting Standards (AS 18) are disclosed in Notes to Accounts No. 26.22 read with Accounting Policies in the Annual Report. The relevant details of Related Party Transactions policy of the Company is mentioned under Director's Report and same is available on the website of Company under http://winsometextile.com/pdf/wtil/cp/related_party_trans_policy.pdf

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

14. Performance evaluation of Board of Directors

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its committees, individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board, its members, their experience & competencies, performance of specific duties & obligations, governance etc. in accordance to the Performance Evaluation Policy of the Company. 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 the website of Company at www.winsometextile.com.

15. Familiarisation Programme/Induction for Independent Directors

At the Board Meetings, apart from the regular agenda items, it is ensured that the Board members are provided a deep and thorough insight into the business model of the Company and updates either by way of

presentation of business units or otherwise. The Board members get an open forum for discussion and share their experience. At the time of appointing an Independent Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties, responsibilities expected of him/her as a Director of the Company and expected time commitments. As required under Clause 49 of Listing Agreement, Company has conducted a familiarization programme for its independent directors under which the necessary informations was provided to familiarize them with the nature, activities, products of the Company and also about their roles, rights, responsibilities in the Company. The details of the same are available on the website of the Company at www.winsometextile.com

16. Board Diversity Policy

The Nomination and Remuneration Committee have formulated Board Diversity Policy in accordance with the Clause 49 of Listing Agreement. Under the said policy, it is recognized that a Board composed of appropriately qualified people with broad range of experience relevant to the business of the Company is important to achieve effective corporate governance and sustained commercial success of the Company. In order to ensure that the Company's boardroom has appropriate balance of skills, experience and diversity of perspectives that are imperative for the execution of its business strategy, the Company shall while selecting the Board Members consider a number of factors, including but not limited to age, culture, functional skills, industry/professional experience, financial literate and integrity etc..The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The said policy is available on website of Company at www.winsometextile.com.

17. Details for Unclaimed Suspense Account for Unclaimed Shares

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

Outstanding at the beginning of the year i.e. April 1, 2014		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, 2015	
No. of Shareholders	No. of Shares			No. of Shareholders	No. of Shares
13	1210	NIL	NIL	13	1210

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

18. Means of Communications

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

19. General Shareholders' Informations

Annual General Meeting at 10:00 A.M. on Monday, the 28th day of September 2015 at Registered Office of the Company at 1, Industrial Area, Baddi, Distt. Solan, Himachal Pradesh.

Financial Calendar : 1st April to 31st March
Date of Book Closure : 09.09.2015 to 11.09.2015 (both days inclusive)

Dividend Payment Date : N. A.

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

Scrip Code : 514470

Global Depository Receipts (GDRs) : Luxembourg Stock Exchange/ LuxSE

ISIN & Trading Code of GDRs : US97550T1060

Winsome Textile Industries Limited

Demat ISIN Number in NSDL & CDSL : INE837B01031

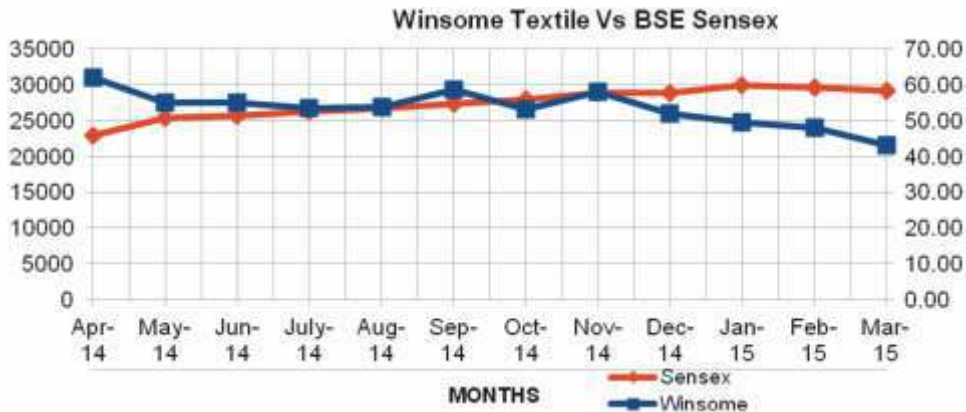
Corporate Identity Number (CIN) : L17115HP1980PLC005647

Annual listing fee for the year 2015-2016 has duly been paid to Bombay Stock Exchange(BSE) . Listing fee to Calcutta Stock Exchange has not been paid as the Company has 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 2015-2016. The annual listing fees has also paid to Luxembourg Stock Exchange for the Calender year 2015.

Market price data - High and Low during each month on BSE in the financial year 2014-15. Stock code - 514470 (Source: www.bseindia.com)

Months	High	Low	Closed	Shares
April, 2014	61.85	49.35	52.00	78600
May, 2014	54.90	48.00	51.55	155179
June, 2014	55.00	44.50	45.00	93449
July, 2014	53.50	40.00	52.00	16337
August, 2014	53.90	49.00	49.00	111814
September, 2014	58.70	40.30	53.15	103334
October, 2014	53.00	46.00	48.10	46103
November, 2014	57.95	44.95	51.00	58920
December, 2014	51.90	42.00	45.25	31290
January, 2015	49.50	38.50	43.00	16040
February, 2015	47.95	35.00	37.20	120349
March, 2015	42.95	29.10	36.00	459557

Performance in comparison to broad based indices



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

Winsome Textile Industries Limited

Share Transfer System	:	Shares lodged in physical form with the RTA directly or through Company, are processed and returned, duly transferred, within fifteen days normally, except in cases which are under objection. In respect of shares held in dematerialised mode, the transfer takes place instantaneously between the transferor, transferee and the Depository Participant through electronic debit/credit of the accounts involved.
Compliance Officer	:	Shri Sourabh Gupta
E-mail ID	:	cswtil@winsometextile.com secretarial@winsometextile.com

Distribution of shareholding as on 31st March, 2015.

Range of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
001 - 500	988	86.44	110377	0.56
501 - 1000	53	4.64	43411	0.22
1001 - 2000	34	2.97	52040	0.26
2001 - 3000	18	1.57	46191	0.23
3001 - 4000	6	0.52	21240	0.11
4001 - 5000	3	0.27	13595	0.07
5001 - 10000	8	0.70	52052	0.26
10001 and above	33	2.89	19481094	98.29
Total	1143	100.00	19820000	100.00

Shareholding Pattern as on 31st March, 2015.

Category	No. of shares	Percentage
Promoters/Promoter Group	6701461	33.81
FI's/FII's/ Banks/ Mutual Funds	2607126	13.15
NRIs	7459	0.04
Bodies Corporates	5601829	28.26
Indian Public	635250	3.21
Shares held by Custodian & against which Depository Receipts have been issued	4266875	21.53
Total	19820000	100.00

Details of shareholding of Directors in the Company as on 31st March, 2015.

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

*appointed as Additional Director w.e.f. 27.03.2015.

Dematerialisation of shares and liquidity : 99.82% of the shares issued by the Company have been dematerialised upto 31st March, 2015.

Winsome Textile Industries Limited

Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity shares	: During the year under review, the Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments. As on 31.03.2015, 853375 no. of GDRs were outstanding representing 4266875 equity shares of Rs. 10/-each comprising of 21.53% of total share capital of Company. Each GDR represents five equity shares of the Company.
Plant(s) Location	: Plot No. 1, Industrial Area, Baddi, Distt. Solan, Himachal Pradesh-173205, Village Kaundi, Baddi, Distt. Solan, Himachal Pradesh-173205
Address for correspondence	: Company Secretary Winsome Textile Industries Limited, SCO 191-192, Sector 34-A, Chandigarh-160022 (U.T.) Ph. No. 0172-4612000,4613000 Fax No. 0172-4646760
E-mail ID	: cswtil@winsometextile.com secretarial@winsometextile.com

By order of the Board

**Place : Chandigarh
Dated: 26.05.2015**

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

Declaration on Code of Conduct

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, it is hereby declared that all the Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year ended 31st March 2015.

**Sd/
(ANIL SHARMA)
CHIEF EXECUTIVE OFFICER**

**Place:Chandigarh
Date: 26.05.2015**

CEO AND CFO CERTIFICATION

To
The Board of Directors
Winsome Textile Industries Ltd.

- (a) We have reviewed the financial statements and the cash flow statement of Winsome Textile Industries Ltd. for the year ended 31st March, 2015 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 present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- (d) We have indicated to the Auditors and the Audit Committee:
- (i) that there are no significant changes in internal control over financial reporting during the year;
 - (ii) that there are no significant changes in accounting policies during the year; and
 - (iii) that there are no instances of significant fraud of which we have become aware.

Yours sincerely,

Sd/
(Anil Sharma)
Chief Executive Officer

Sd/
(Sanjay Kedia)
Chief Financial Officer

Place: Chandigarh
Date: 26.05.2015

CERTIFICATE OF PRACTICING COMPANY SECRETARY ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE AS PER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES

To the Members of Winsome Textile Industries Limited

We have examined the compliance of the conditions of Corporate Governance by Winsome Textile Industries Limited, Baddi for the year ended March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us. We certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor grievance received during the year ended March, 31, 2015, no investor grievances are pending against the Company, as per the records maintained by the Company and presented to the Investors/Shareholders Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company.

**Place: Chandigarh
Date : 26.05.2015**

**Sd/-
RAMESH BHATIA
Practicing Company Secretary
FCS No.2483
C P No. 1917**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDIAN COTTON & TEXTILE INDUSTRIES

India is the world's second largest producer of textiles and garments, with a massive and diverse raw material base. It is the second largest sector in the country after agriculture in terms of employment and provides direct employment to over 45 million people. Besides, another 60 million people are engaged in allied activities. Due to this, Indian Textile Industry is not only of paramount importance to the national economy, it also has an influential presence in global market. The Indian textile industry is set for strong growth, followed by both strong domestic consumption as well as export demand. Indian textiles industry has a strong presence across the value chain. India is the 4th largest exporter of textiles & clothing products to the world. The domestic textile and apparel industry in India is estimated to reach US\$ 141 billion by 2021 as per CII.

COTTON SCENARIO DURING THE YEAR UNDER REVIEW

Cotton is the main cash crops in India. During the cotton year 2014-2015, the Indian cotton crop production as estimated by the Cotton Advisory Board is to be about 390 lac bales as against 417 lac bales during the cotton year 2013-14.

Cotton Balance Sheet for the year- 2014-15

Cotton Year : October to September

(In lakh bales of 170 kg. Each)

Particulars	2013-14 (P)*	2014-15 (P)*
SUPPLY		
Opening Stock	40.00	32.00
Crop	398.00	390.00
Import	10.80	8.00
TOTAL SUPPLY	448.80	430.00
DEMAND		
Mill Consumption	266.00	278.50
S.S.I. Consumption	24.88	26.50
Non Textile Consumption	8.00	15.00
Export	117.92	70
TOTAL DEMAND	416.80	390.00
Closing Stock	32.00	40.00

P – Provisional

* - As estimated by CAB in its last meeting held on 31.03.2015.

During the year, China changed its cotton policy due to which World cotton prices starting declining since April 2014 which also affected the domestic cotton prices. Cotton Corporation of India (CCI) had to undertake MSP operations and procured substantial cotton estimated to be around 8.7 million bales which is equivalent to 22% of the domestic cotton production. The outlook on the Indian cotton spinning industry remains Stable on account of recovery in the export demand and production volumes since November 2014.

IMPACT OF BUDGET 2015-2016 ON TEXTILE INDUSTRIES

The Indian textile industry was hoping for some good schemes as well as favourable incentives from the budget for achieving its high potential for increasing industrial production, generating additional employment and improving export earnings. But the Union Budget 2015-2016 is not so much encouraging for textile industries. The Budget has ignored the highly labour intensive textile industry which has significant potential for growth. The allocation for Technology Upgradation Fund Scheme had been reduced to Rs.1,520 crore for 2015-16 from Rs.1,864 crore allocated for 2014-15. This may turn to have adverse affect on fresh investments. No reduction in the duty burden has been provided for manmade fibres and therefore industry's plans for diversification may be hampered. In fact, the effective rate of excise duty on manmade fibres has gone up from 12.36% to 12.5% under

the current budget. Increase in service tax to 14% will also have an adverse impact on the textile industry. The only positive aspect of the Budget for the textile sector is the continuation of the optional excise duty regime. Although the reduction of Corporate Tax from 30% to 25% is indeed a welcome step for all industries.

SWOT ANALYSIS

STRENGTHS & OPPORTUNITIES

India has always been self-sufficient with textiles and is not dependent on imports. This is the only industry which has been posting a growth graph year after year. However, textile industry is expected to grow well into the future, with improved bilateral relationships with countries that have been the biggest clients of India. Technical textiles are among the most promising and fastest growing areas of Indian Textile Industry. India is also leader in the production of organic cotton. This leadership position has given India the leverage to be among the top producers of organic cotton based products.

The free trade environment is a great opportunity for the Indian textile industry to increase its share in the global market. The F.Y. 2014-2015 has shown good demand for our products both in domestic and in overseas market. The major portion of export was comprising of raw white, melange, dyed yarn in the Asian, East European and South American countries. The increase in demand has led to growth in sales during the financial year.

Also as our strength has been in value added yarn, last year we had introduced many new innovative products which helped us in improving our bottom line. In furtherance of the same, some of the fancy value added yarn which has done well has been flake, neps, jaspe yarns and injection slub yarns. We have planned to come out with more value added products in the coming years considering the global trends and requirements of our esteemed customers.

WEAKNESS AND THREATS

Textile industry contributes to nearly 12% of India's forex earnings. But, the branding of India's prowess especially pertaining to the exports have been about technology. It's a pity that textile industry, despite being on the export forefront, has never been given its due despite its heavy potential irrespective of the weather in the market.

The major challenge which are being faced by the textile industry is that the rising production cost arising out of rising wages, cost of input materials, increased rates of interest, levy of direct and indirect taxes/duties, volatile foreign exchange, logistic & freight cost. India's labour productivity is among the lowest in the world. Structural labour reforms are need of the hour in order to boost labour productivity. Besides this raw cotton, an agricultural product is the key raw material used for the manufacture of cotton yarn. Almost 65 per cent of area under cotton cultivation is rain-fed and hence is dependent on vagaries of monsoon. Adequate availability of raw cotton at better prices is also crucial for the Company. Any disruption in the supply and/or violent changes in the cost structure would affect the profitability of the Company. We are seamlessly working hard to face such challenges by continuous efforts at cost reduction, process improvements, diversification of products and improving productivity by improving efficiencies in proximity to mitigate the growing cost pressure. To sum up, the Industry needs to move swiftly and to frame its strategies for future sustainability and growth by considering the advantages & challenges.

FUTURE OUTLOOK

The new government at the Centre appears to be pro-investment and many new policies and planned policy changes are expected to provide a boost to the business environment in the country. With a stable government, the business sentiments in the country has improved substantially. It is expected that this shall drive investment and further growth in the textile industry as well.

The fundamental strength of your Company flows from its strong production base of wide range of yarns from natural fibres like cotton, silk and synthetic /man-made fibres like polyester, viscose & nylon etc.. The Company has a robust framework for providing quality products at competitive prices by ensuring proper timeline. The Company's new spinning unit located at Village Kaundi, Distt. Solan, H.P. is also functioning with its full capacity and has further strengthened its delivery chain. Apart from it, Company has a modern dye house equipped with imported machineries facilitating the dyeing of fleece, yarn, fabrics and other allied activities. All these favourable factors indicate extremely optimistic and positive future for the healthy growth of your Company.

INTERNAL CONTROL SYSTEM

A strong internal control is pervasive in the Company. The Company has a well established framework of internal control in all areas of its operations, including suitable monitoring procedures, competent and qualified personnel. The Internal Audit department also assesses the opportunities for improvement in business

processes, systems and controls, provides recommendations, designed to add value to the Company. In addition to statutory audit, the financial controls of the Company at various locations are reviewed by the Internal Auditors, who report their findings to the Audit Committee of the Board. The Audit Committee actively reviews the adequacy and effectiveness of internal control system and suggests to further strengthening the same, if so required. The Committee meets to review the progress of the internal audit initiatives, significant audit observations, planning and implementation of follow up action required. The Company conducts its business with integrity and high standard of ethical behaviour and in compliance with the applicable laws and regulations that govern its business.

POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACES

Being an equal employment opportunity company and to ensure that every employee of the Company is treated with dignity & respect and as mandated under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" the Company has in place a formal policy for Prevention of Sexual Harassment of Employees at Workplace. The Management of the Company has also constituted Internal Complaint Committees at its workplaces to consider and redress the complaints of Sexual Harassment. During the year F.Y. 2014-15, the Company has not received any complaint on sexual harassment. Two workshops/awareness programs were carried out against sexual harassment.

RISK MANAGEMENT FRAMEWORK

The Company firmly believes that to ensure effective risk management, there ought to be risk management plans to handle the risks based on the priorities and challenges of the business. The factors involved in identified risks must be considered and the accuracy of assessment is very important. This implies, if proper risk management is implemented as a best practice then massive capital losses can be prevented. Following the same approach and as required under Companies Act & Listing Agreement, the Company has constituted Risk Management Committee and adopted an effective Risk Management Policy in its place to assess, mitigate and to monitor the different risks exposed to the industry in which the Company operates. A brief of same are mentioned below:-

a) Foreign Exchange Risk

Volatility in foreign currency exchange rates vis-a-vis Indian Rupee is another area of concern since a sizeable production is exported by your Company. The Company has already laid down its efficient framework & strategy for actively managing its foreign exchange risk. In the international market, cost competitiveness is crucial. Any adverse policy measures could impact the Company's exports performance. A stronger Rupee could also erode our realization as well as margins. The Company continues to strengthen its strategy to minimize the risk involved due to adverse movement of exchange rates.

b) Financial and Liquidity Risk

To mitigate the Financial and Liquidity Risk which may be exposed to Company, Proper financial planning is put in place with detailed Annual Business Plans and Annual Budgets at appropriate levels within the organization. These budgets with Variance Analysis are prepared to have better financial planning and study of factors giving rise to variances. Cost Centers are prepared within the organization and internal controls prevail in the organization to minimize the variances. Cash flow statements are prepared on daily basis to analyze daily fund position along with proper sales analysis.

c) Credit Risk

To mitigate the Credit Risk which may be exposed to Company, the Company has separate finance department with functional head who regularly reviews the Credit Risk and allied factors. The said department constantly makes efforts to upgrade the credit rating and credit worthiness of the Company. To facilitate the same, meeting with different lenders are organized at regular intervals to get their valuable feedback and to rectify the deficiencies, if found. The Systems are put in place for assessment of credit worthiness of the dealers and customers.

d) Business Operational Risk

To mitigate the Business Operational Risk, proper policies & procedures are followed in relation to maintenance of inventories of raw materials, consumables, key spares and tools to ensure their availability for planned production programmes. In the main season, quality cotton is procured at best competitive rates from different parts of the country. Proper inventory control systems have been put in place. To espouse, Company has invested appropriate amount to upgrade its plants, machines, dye house and other equipments etc. to

avoid any hindrance in the production and to upgrade its production line proficiently with latest technology and techniques.

HEALTH AND SAFETY MEASURES

The Company has health and workplace safety programmes in place and has established policies and procedures aimed at ensuring compliance with applicable laws/legislative requirements. The Company believes that the health and safety of the workers and the persons residing in the vicinity of its plants is fundamental to the business. Commitment to the identification and elimination or control of the workplace hazards for protection of all is utmost importance.

Adhering to same, the Company apart from other major certifications, continues with the certification of IS/ISO 18001:2007 for Occupational Health & Safety Management Systems Certification (OHSMS), IS/ISO 9001:2008 Quality Management Systems Certification, IS/ISO 14001:2004 Environmental Management System (EMS) Certification, Organic Content Standard (OCS) Certification and Global Organic Textile Standards (GOTS) certification & SUPIMA licensee (special type of PUMA COTTON) etc.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The permanent employee strength of Company as on 31st March 2015 was 1865. The Company recognizes the importance and contribution of its human resources for its growth and development and is committed to the development of its people. The Company has been adopting methods and practices for Human Resources development. With utmost respect to human values, the Company continues to develop its human resources, through appropriate trainings, workshops, motivation/leadership techniques and employee welfare activities at regular intervals.

CAUTIONARY STATEMENT

Statements made in this report describing the Company's projections, estimates, expectations or predictions may be 'forward looking predictions' within the meaning of applicable securities laws and regulations. Actual result may differ from such estimates, projections, etc. whether expressed or implied. Factors which would make a significant difference to the Company's operations include availability of quality raw cotton, market prices in the domestic and overseas markets, changes in Government regulations and tax laws, economic conditions affecting demand / supplies and other environmental factors over which the Company does not have any control.

By order of the Board

Place : Chandigarh

Dated: 26.05.2015

Sd/

(ASHISH BAGRODIA)

CHAIRMAN & MANAGING DIRECTOR

DIN-00047021

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF WINSOME TEXTILE INDUSTRIES LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of **WINSOME TEXTILE INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion:-

Attention is drawn to :

- (i) *Note No.26.3 regarding non-provisioning against receivables amounting to Rs. 1089.44 lacs which in the opinion of management is good and recoverable as stated in the said notes and our inability to comment thereon.*
- (ii) *Note no. 26.7 regarding non provision for shortfall in recovery (amount unascertainable) against overdue debt of Rs. 66.27 lacs (Previous Year Rs. 85.15 lacs) as stated in the said note for which legal and other persuasive action for recovery has been initiated, in the opinion of the management these debts are good and recoverable as stated in the said note and our inability to comment thereon.*

We further report that the profit for the year, the balance in reserve & surplus, receivable, loans & advances and profit for the year are without considering items mentioned in (i) & (ii) above, the effect of which could not be determined.

Our opinion was also qualified on the financial statements for the year ended 31st March 2014 in respect of overdue debts reported in (ii) above.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matters described under the head "Basis for Qualified Opinion" paragraph*, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

- (i) Note no. 26.8 regarding balances of certain receivables, loans and advances (including capital advances), trade payables and other liabilities are subject to confirmation/reconciliation.

Our opinion is not qualified in respect of above matter.

Report on other legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us during the course of audit, we give in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note no. 26.1((A)(ii)), (B) and 26.4 to the financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses; if any, on long term contracts including derivative contracts. (Refer note 26.27 (B)).
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Lodha & Co.
Chartered Accountants
Firm's Registration No. 301051E

Place : New Delhi
Date : 26.05.2015

(N.K. LODHA)
Partner
Membership No.: 85155

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date for the year ended 31st March 2015.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The fixed assets have been physically verified by the management according to the programme of periodical physical verification in phased manner which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. The discrepancies noticed on such physical verification were not material.
2. (a) The inventories of the Company (except stock in transit) have been physically verified by the management at reasonable intervals.
(b) The procedures of physical verification of inventory followed by the management are reasonable (read with note no. 26.19(a)(ii)) and adequate in relation to the size of the Company and nature of its business.
(c) The Company is maintaining proper records of inventories (in case of process stock, records are updated on monthly basis physical verification of stock). As per records and information made available the discrepancies noticed on such physical verification of inventory as compared to book records were not material.
3. (a) As per the information and explanation provided to us, the Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, provision of clause 3 of the Order is not applicable.
4. In our opinion and according to the information and explanations given to us, having regard to the explanation that some of the items purchased are of special nature and suitable alternatives sources do not exist for obtaining comparable quotations or where user department has shown specific preference, where as explained, rates were determined considering the quality, volume, nature of the items and market conditions prevailing at that time, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services *which needs to be further strengthen* (read with note no. 26.13 regarding MSME and 26.19(a) regarding accounting of consumption based on the balancing figure as stated in the said note). Based on the audit procedure performed and on the basis of information and explanations provided by the management, during the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or other tribunal in this regard.
6. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act in respect of the company's products to which the said rules are made applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
7. (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess and other material statutory dues with the appropriate authorities to the extent applicable and there were no undisputed statutory dues payable for a period of more than six months from the *date they became payable as at 31st March, 2015 TDS of Rs.0.93 lacs (since paid)*.
(b) According to the records and information & explanations given to us, there are no dues in respect of Income tax, Wealth Tax or Cess that have not been deposited with the appropriate authorities to

the extent applicable on account of any dispute and the dues in respect of Sales tax , Excise duty , Custom duty , Service tax and Entry tax that have not been deposited with the appropriate authorities on account of dispute and the forum where the dispute is pending are given below:-

NAME OF STATUTE	NATURE OF DUES	PERIOD	AMOUNT UNPAID (IN LACS RS.)	FORUM
Central Excise Act	Excise Duty	1995-96	1.44	Assistant Commissioner
Central Excise Act	Excise Duty	1998-2001	1.83	CESTAT
Central Excise Act	Excise Duty	2000-2001	1.74	CESTAT
Central Excise Act	Excise Duty	2003-04	41.59	CESTAT
Central Excise Act	Excise Duty	2004-05	0.35	Commissioner (Appeal)
Central Excise Act	Excise Duty	2005-06	21.33	CESTAT
Central Excise Act	Excise Duty	2008-09	1.32	Commissioner (Appeal)
HP Sales Tax Act	Entry Tax	2010-11 to 2014-15	333.27	The High Court of Shimla

Refer Note no. 26.1(A) (ii).

- (c) According to the records of the Company and information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time.
8. The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year & in the immediately preceding financial year.
 9. In our opinion, on the basis of audit procedure and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks. The company did not have any outstanding debentures during the year.
 10. According to the information and explanations given to us the company has not given any guarantee for loan taken by others from banks.
 11. On the basis of information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
 12. Based on the audit procedure performed and on the basis of information and explanations provided by the management, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For Lodha & Co.
Chartered Accountants
Firm's Registration No. 301051E

Place : New Delhi
Date : 26.05.2015

(N.K. LODHA)
Partner
Membership No.: 85155

BALANCE SHEET
AS AT 31ST MARCH, 2015

Winsome Textile Industries Limited

PARTICULARS	NOTE NO.	AS AT 31-Mar-15 (Rs. in lacs)	AS AT 31-Mar-14 (Rs. in lacs)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	1982.00	1982.00
(b) Reserves and Surplus	3	<u>11804.21</u>	<u>10480.50</u>
		<u>13786.21</u>	<u>12462.50</u>
(2) Non-Current Liabilities			
(a) Long-term borrowings	4	19324.29	23129.56
(b) Deferred tax liabilities (Net)	5	4232.43	3454.23
(c) Other Long term liabilities	6	23.18	7.78
(d) Long term provisions	7	<u>61.14</u>	<u>50.66</u>
		<u>23641.04</u>	<u>26642.23</u>
(3) Current Liabilities			
(a) Short-term borrowings	8	15570.84	15151.20
(b) Trade payable	9	15079.24	16992.91
(c) Other current liabilities	10	6214.71	5513.86
(d) Short-term provisions	11	<u>356.35</u>	<u>713.45</u>
		<u>37221.14</u>	<u>38371.42</u>
Total		<u><u>74648.39</u></u>	<u><u>77476.15</u></u>
II.Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12	33583.64	35044.87
(ii) Intangible assets		0	0
(iii) Capital work-in-progress		5785.37	4591.53
(b) Non-current investments	13	3.10	3.10
(c) Long term loans and advances	14	<u>210.43</u>	<u>177.39</u>
		<u>39582.54</u>	<u>39816.89</u>
(2) Current assets			
(a) Inventories	15	19365.41	19281.12
(b) Trade receivables	16	7173.16	5838.77
(c) Cash & Bank Balances	17	1644.56	1844.74
(d) Short-term loans and advances	18	<u>6882.72</u>	<u>10694.63</u>
		<u>35065.85</u>	<u>37659.26</u>
Total		<u><u>74648.39</u></u>	<u><u>77476.15</u></u>

Significant Accounting Policies & explanatory notes are an integral part of the Financial Statements **1 & 26**

As per our report of even date.

For LODHA & CO.

Chartered Accountants

FRN : 301051E

N.K. Lodha
Partner
M. No. 85155

Ashish Bagrodia
Chairman Cum Managing Director
DIN - 00047021

Anil Sharma
Chief Executive Officer

For and on behalf of
Winsome Textile Industries Ltd

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

PLACE : Chandigarh
DATED : 26.05.2015

Sourabh Gupta
Company Secretary
FCS - 5952

Sanjay Kedia
Chief Financial Officer

**STATEMENT OF PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2015**

Winsome Textile Industries Limited

PARTICULARS	NOTE NO.	31-Mar-15 (Rs. in lacs)	31-Mar-14 (Rs. in lacs)
Net Revenue from operations	19	64947.43	49882.79
Other income	20	247.47	753.64
Total Revenue		65194.90	50636.43
Expenses:			
Cost of materials consumed	21	31304.56	24409.54
Purchase of Stock in trade		7834.20	4802.79
Change in inventories of finished goods, work-in-progress and Stock-in-trade	22	(1158.78)	(2613.99)
Employee benefit expenses	23	4142.48	3196.60
Finance Cost	24	6139.95	4388.19
Depreciation and amortization expenses	12	1772.27	1624.10
Other expenses	25	13055.30	11353.35
Total Expenses		63089.98	47160.58
Profit before tax		2104.92	3475.85
Tax expense:			
- Current Tax		445.41	606.80
- MAT Credit		(445.41)	(606.80)
- Deferred Tax		812.44	1647.28
- MAT Credit Earlier Year		(140.29)	-
- Tax for earlier Year		140.57	-
Profit(Loss) after Tax		1292.20	1828.57
Earning per equity share:(Refer Note No. 26.23)			
- Basic		6.52	9.23
- Diluted		6.52	9.23

Significant Accounting Policies & explanatory notes are an
Integral part of the Financial Statement

1 & 26

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

For and on behalf of
Winsome Textile Industries Ltd

N.K. Lodha
Partner
M. No. 85155

Ashish Bagrodia
Chairman Cum Managing Director
DIN - 00047021

Anil Sharma
Chief Executive Officer

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

PLACE : Chandigarh
DATED : 26.05.2015

Sourabh Gupta
Company Secretary
FCS - 5952

Sanjay Kedia
Chief Financial Officer

Winsome Textile Industries Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	2014-15		2013-14	
	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)
(A) CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT/(LOSS) BEFORE TAX AND EXTRAORDINARY ITEMS		2104.92		3475.85
Adjustment for:				
Depreciation	1772.27		1624.10	
Effect of Exchange Fluctuation	168.83		172.63	
Profit on sale of Investment	-		(38.30)	
Bad debt written off	12.72		125.97	
Profit on sale of fixed assets (Net)	(0.78)		(11.90)	
Interest paid	6139.96		4388.19	
Dividend Received	(0.23)		-	
Interest income	(146.89)		(217.18)	
Capital Subsidy credited	-		(8.39)	
		7945.88		6035.12
		10050.80		9510.97
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES				
Adjustment for:				
Trade & other receivable	3065.05		(5211.14)	
Inventories	(84.30)		(7685.30)	
Trade & other Payables	(892.85)		5983.25	
CASH GENERATED FROM OPERATIONS		12138.70		2597.78
Direct Taxes Paid		(971.19)		(500.76)
NET CASH FLOW FROM OPERATING ACTIVITIES		11167.51		2097.02
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(1855.56)		(3825.08)	
Capital Subsidy Received	107.91		-	
Sale of fixed assets	241.70		80.26	
Sale of Investments	-		4189.66	
Capital Advances	(33.18)		(2918.52)	
Dividend Received	0.23		-	
Interest Received	146.89		217.18	
NET CASH USED IN INVESTING ACTIVITIES		(1392.01)		(2256.50)
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Interest paid	(6185.58)		(4390.46)	
Repayment of Long Term Borrowings	(4142.84)		(2357.12)	
Proceeds from Long Term Borrowings	40.40		3606.51	
Net proceeds from Short term Borrowings	312.34		4166.29	
NET CASH USED IN FINANCING ACTIVITIES		(9975.68)		1025.22
Net Increase/(decrease) in cash and cash equivalents		(200.18)		865.74
Balances as at 01.04.14 (opening balance)				
Cash & Cash Equivalents	414.82		121.16	
Others	1429.92	1844.74	857.85	979.01
Balances as at 31.03.2015 (Closing Balance)				
Cash & Cash Equivalents	143.75		414.82	
Others	1500.81	1644.56	1429.92	1844.74

As per our report of even date.

For LODHA & CO.

Chartered Accountants

FRN : 301051E

N.K. Lodha

Partner

M. No. 85155

Ashish Bagrodia

Chairman Cum Managing Director

DIN - 00047021

Anil Sharma

Chief Executive Officer

Directors: Chandra Mohan

DIN-00017621

Satish Girotra

DIN-01112511

Amrit Lal Batra

DIN-00399728

PLACE : Chandigarh

DATED : 26.05.2015

Sourabh Gupta

Company Secretary

FCS - 5952

Sanjay Kedia

Chief Financial Officer

Note 1**SIGNIFICANT ACCOUNTING POLICIES:-****1.1 GENERAL**

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

1.2 REVENUE RECOGNITION

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

1.3 VALUATION OF INVENTORIES

- (i) Inventories are valued at lower of Cost and Net Realizable Value except for scrap and by products which are valued at net realizable value.
- (ii) Cost of inventories of finished goods and work-in-process includes material cost, cost of conversion and other related overhead costs.
- (iii) Cost of inventories of raw material, work-in-process and stores & spares is generally determined on weighted average cost method.

1.4 INVESTMENTS

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

1.5 FIXED ASSETS

Fixed assets are stated at cost of acquisition (net of cenvat credit) & are inclusive of freight, duties, taxes and installation expenses less accumulated depreciation and impairment loss, if any.

1.6 DEPRECIATION/ AMORTISATION/ IMPAIREMENT LOSS

- (a) Depreciation on fixed assets has been provided using Straight Line Method over their useful lives and in the manner prescribed under Schedule II of the Companies Act, 2013 (except leasehold land which is amortized over the period of lease).
- (b) Continuous process plants as defined in Schedule II have been considered on the basis of technical evaluation and depreciated over the lives as prescribed under Schedule II
- (c) Depreciation on addition/sale is provided on Pro-rata basis with reference to the month of addition / sale.
- (d) In case, the recoverable amount of the fixed assets is lower than its carrying amount a provision for the impairment loss, depreciation on impaired assets is provided based on the reassessed balance life of the assets.
- (e) Capital Expenditure on assets not owned are written off over the duration of contract or ten years, whichever is lower.

1.7 BORROWING COST

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

1.8 GOVERNMENT GRANTS

- (i) Grants other than capital subsidy under TUFS relating to fixed assets are shown as deduction from the gross value of fixed assets and those of the nature of project subsidy are credited to Capital Reserves.
- (ii) Other Government Grants including incentive are credited to statement of Profit & Loss or deducted

from the related expenses.

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

1.9 FOREIGN CURRENCY TRANSACTIONS

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

1.10 EXPENDITURE DURING CONSTRUCTION PERIOD

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

1.11 EMPLOYEE BENEFITS:-

(I) Defined Contribution Plan

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

(II) Defined Benefit Plan

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

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

1.12 TAXES ON INCOME

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

1.13 CONTINGENT LIABILITIES, CONTINGENT ASSETS & PROVISIONS

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

1.14 RESEARCH AND DEVELOPMENT EXPENSES

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

**Notes on financial statements for the year ended Winsome Textile Industries Limited
31st March 2015**

PARTICULARS	(Rs. in lacs)	
	AS AT 31.03.2015	AS AT 31.03.2014
NOTE - 2		
SHARE CAPITAL		
AUTHORISED		
2,49,50,000 (P.Y.: 2,49,50,000 Equity Shares of Rs.10/- each)	2495.00	2495.00
Equity Shares of Rs.10/- each		
5,000 (P.Y.: 5000) Preference Share of Rs. 100/- each	5.00	5.00
	<u>2500.00</u>	<u>2500.00</u>
ISSUED,SUBSCRIBED & FULLY PAID UP		
1,98,20,000 (P.Y.: 1,98,20,000 Equity Shares of Rs.10/- each)	1982.00	1982.00
Equity Shares of Rs.10/- each	<u>1982.00</u>	<u>1982.00</u>

2.1 Rights & Restrictions of Shareholders:

2.1.1 The Company has only one class of Equity Shares having face value of Rs. 10/- each (Previous Year Re. 10/- each) in its issued, subscribed and paid up Equity share capital. Each shareholder is entitled to one vote per share (except GDR shareholding mentioned at point no. 2.2 below). Each shareholder have the right in profit/surplus in proportion to amount paid up with respect to share holder.

2.1.2 The GDR shareholding (853375 nos. of GDRs. Representing Equity shares of Rs. 10 each are 4266875) which is standing in the name of Bank of New York Mellon, as Depository, has right to dividend, do not have any right to vote.

2.1.3. 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.

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

Name of Shareholder	No. of Shares Held	No. of Shares Held
Bank of New York Mellon, DR (Shares held by Custodians and against which Depository Receipts have been issued)	4,266,875	6,450,000
Roselab Commodities Pvt Ltd	3,501,923	3,490,121
Kailashpati Vinimay Pvt Ltd.	3,005,031	3,005,031
Landscape Traders Pvt Ltd	1,366,092	1,332,092
Arpit Agencies Pvt Ltd	1,290,799	1,290,799
Aspire Emerging Fund	1,825,000	-

4. Reconciliation of Equity Share Capital

	As on 31.03.2015	As on 31.03.2014
	No. of Shares	No. of Shares
Shares Outstanding at the beginning of the year	19,820,000	19,820,000
Issued during the year	-	-
Buy Back during the year	-	-
Shares Outstanding at the end of the year	19,820,000	19,820,000

NOTES**Winsome Textile Industries Limited**

PARTICULARS	AS AT		(Rs. in lacs)	
	31.03.2015		31.03.2014	
NOTE 3				
RESERVES & SURPLUS				
Capital Reserve				
As per last Balance Sheet	46.68		46.68	
Add: Addition during the year	-		-	
Less: Adjustments	-	46.68	-	46.68
Investment Allowance (Utilized) Reserve				
As per last Balance Sheet	184.00		184.00	
Add: Addition during the year	-		-	
Less: Adjustments	-	184.00	-	184.00
Securities Premium Reserve				
As per last Balance Sheet	5131.46		5131.46	
Add: Addition during the year	-		-	
Less: Adjustments	-	5131.46	-	5131.46
General Reserve				
As per last Balance Sheet	68.55		68.55	
Add: Addition during the year	-		-	
Less: Adjustments*	66.51	2.04	-	68.55
Capital Subsidy Under Tuffs				
As per last Balance Sheet	92.25		100.64	
Add: Addition during the year	107.91		-	
Less: Transfer to Statement of Profit and Loss	9.89	190.27	8.39	92.25
Surplus in Statement of Profit & Loss				
As per last Balance Sheet	4957.56		3128.99	
Profit for the year	1292.20		1828.57	
Less: Adjustment	-		-	
Surplus in Profit and Loss Statement carried To Balance Sheet	6249.76		4957.56	
	<u>11,804.21</u>		<u>10,480.50</u>	

*Rs. 66.51 lacs being adjusted pursuant to adoption of schedule II of the companies Act, 2013 towards Written down Value(WDV) in respect of certain Fixed Assets (Net of Deferred Tax Rs. 34.24 Lacs) whose lives had expired on 31st March, 2014.

NOTES**Winsome Textile Industries Limited**

	Non Current		Current	
	31.03.2015 (Rs. in Lacs)	31.03.2014 (Rs. in Lacs)	31.03.2015 (Rs. in Lacs)	31.03.2014 (Rs. in Lacs)
NOTE-4				
LONG TERM BORROWINGS				
SECURED LOANS				
Term Loan				
- From Banks	19265.07	23079.90	3087.71	2887.51
Working Capital Term Loan	0.00	0.00	0.00	495.27
Vehicle Loans - From Banks	59.22	37.12	26.69	25.84
- From Others	0.00	12.54	12.54	15.49
	19324.29	23129.56	3126.94	3424.11
Less : Current maturities of long term, borrowings (Disclosed under Other Current Liabilities under Note No. 10)	-	-	3126.94	3424.11
	19324.29	23129.56	0.00	0.00

Notes:

- Term Loans and Working Capital Term Loans from Banks of Rs. 22352.78 Lacs (P.Y. Rs. 26462.68) are secured by Joint Equitable Mortgage by deposit of title deeds on company's immovable properties (present and future) which shall be on first charge basis, shall rank pari-passu with all banks and a charge by way of hypothecation of all movable fixed assets subject to prior charge on specified equipments to banks for term loan. Above Term loans are further secured by pari-passu second charge on entire current (present and future) assets of the company. The loan is repayable in quarterly installments and maturity profile is as follows:

Repayment	0 – 1 years	1-2 years	2-3 years	After 3 years
(in lacs)	3087.71	4123.30	4175.97	10965.8

- Vehicle Finance carrying interest of Rs. 98.45 Lacs (P.Y. 90.99 Lacs) which is secured by hypothecation of specific assets purchased under such arrangements and is repayable in equated monthly installments and maturity profile is as follows:

Repayment	0 – 1 years	1-2 years	2-3 years	After 3 years
(in lacs)	39.23	28.82	20.64	9.76

- The aforesaid credit facilities mentioned above in point no. 1 are also guaranteed by Chairman cum Managing Director (C.M.D) and also by a relative of C.M.D.

NOTE-5**DEFERRED TAX**

	<u>As at</u> <u>31.03.2015</u>	<u>As at</u> <u>31.03.2014</u>
Deferred Tax Liability		
Depreciation Adjustment	<u>5435.81</u>	<u>4268.84</u>
Deferred Tax Assets		
Unabsorbed Depreciation	<u>1003.21</u>	<u>599.47</u>
Other items	<u>200.17</u>	<u>215.14</u>
	<u>1203.38</u>	<u>814.61</u>
Deferred Tax Liability (Net)	<u>4232.43</u>	<u>3454.23</u>

NOTES**Winsome Textile Industries Limited**

PARTICULARS	(Rs. in lacs)	
	AS AT 31.03.2015	AS AT 31.03.2014
NOTE 6		
OTHER LONG TERM LIABILITIES		
Employees Advances	23.18	7.78
	<u>23.18</u>	<u>7.78</u>
NOTE 7		
LONG TERM PROVISIONS		
Provision for Employees Benefits	61.14	50.66
	<u>61.14</u>	<u>50.66</u>
NOTE 8		
SHORT TERM BORROWINGS		
SECURED LOANS		
Working Capital Demand loan from bank	3807.36	3696.23
Cash Credit	3557.14	2944.89
Packing Credit	8206.34	8510.08
	<u>15570.84</u>	<u>15151.20</u>
1. Working Capital Demand loans from bank includes Cash Credit, Packing Credit and short term loans are secured by First Charge by Hypothecation of Raw Material, Stock in Process, Finished Goods, Consumable Store and Spares, Goods in Transit, Book Debts and by Second Charge on entire Fixed Assets of the Company on Pari-passu basis with Working Capital lenders.		
2. The aforesaid credit facilities mentioned above is also guaranteed by C.M.D. and also by a relative of C.M.D.		
NOTE 9		
TRADE PAYABLES		
Acceptances	11898.18	12473.97
Others (Refer Note No. 26.13)	3181.06	4518.94
	<u>15079.24</u>	<u>16992.91</u>
NOTE 10		
OTHER CURRENT LIABILITES		
Current Maturities of long term borrowings	3126.94	3424.11
Interest accrued but not due on borrowings	17.14	0.53
Advance from customers	198.82	219.15
Unclaimed dividends*	0.55	1.05
Others Payable		
- Capital Payable (Refer Note No. 26.13)	53.40	114.75
- Statutory Dues	499.89	317.72
- Other Liability (Refer Note No. 26.13)	2317.97	1436.55
	<u>2871.26</u>	<u>1869.02</u>
	<u>6214.71</u>	<u>5513.86</u>
*Shall be credited to Investor's Education and Protection Fund when due.		
NOTE 11		
SHORT TERM PROVISIONS		
Employees Benefits	298.65	270.54
Others		
- Provision for Taxation (Net of Advance payment of Taxes)	57.70	442.91
	<u>57.70</u>	<u>442.91</u>
	<u>356.35</u>	<u>713.45</u>

**NOTE -12
FIXED ASSETS**

(Rs. in Lacs)

PARTICULARS	GROSS CARRYING VALUE				DEPRECIATION				NET CARRYING VALUE	
	As at 31.03.2014	Additions/ Adjustments	Sales/ Adjustments	As at 31.3.2015	Upto 31.03.2014	For the year@	Sale/ Adjustments	Upto 31.3.2015	As at 31.3.2015	As at 31.3.2014
(i) Tangible Assets										
Land - Freehold & Site Development	1743.15	-	-	1743.15	-	-	-	-	1743.15	1743.15
- Leasehold	5.75	-	0.08	5.67	-	-	-	-	5.67	5.75
Buildings *	6298.77	19.42	-	6318.19	1063.92	215.19	-	1279.11	5039.08	5234.85
Plant & Equipments **	38309.70	553.77	227.36	38636.11	10713.78	1546.12	12.24	12247.66	26388.45	27595.92
Furnitue and Fixtures	205.16	33.83	-	238.99	96.64	22.39	-	119.03	119.96	108.52
Vehicles #	303.56	35.62	37.75	301.43	90.81	41.51	12.29	120.03	181.40	212.75
Office Equipments	289.49	19.96	0.41	309.04	145.56	57.70	0.15	203.11	105.93	143.93
	47155.58	662.60	265.60	47552.58	12110.71	1882.91	24.68	13968.94	33583.64	35044.87
Previous Year	26967.51	20273.24	85.17	47155.58	10503.42	1624.10	16.81	12110.71	35044.87	16464.09

Note:

* Building includes capital expenditure incurred on assets not owned by the company Rs.8.90 lacs (Previous Year Rs. 8.90 lacs) and net Rs. 4.31 Lacs (Previous Year Rs.5.12 lacs).

** During the year an amount of Rs.4.24 lacs has been received against Terminal Excise Duty towards Machineries purchased during last year which is adjusted from the cost of respective Plant and Machinery.

@ Pursuant to adoption of schedule II of the companies Act, 2013 the lives of the certain Assets had expired on 31st March, 2014. Consequantly, after retaining residual value/ the carrying amount of Rs. 100.75 Lacs in respect of such Fixed Assets has been adjusted to General Reserve.

Vehicle includes assets of Rs.195.02 lacs (Previous Year Rs.235.61 lacs) acquired under Hire Purchase Finance.

NOTES**Winsome Textile Industries Limited**

PARTICULARS	(Rs. in lacs)	
	AS AT 31.03.2015	AS AT 31.03.2014
NOTE 13		
NON CURRENT INVESTMENTS		
Trade Investments		
Other Investment		
Unquoted		
31000 Equity Shares of Rs. 10/- each in Shivalik solid waste management Ltd. (Previous year 31000 Equity Shares of Rs. 10/- each)	3.10	3.10
	<u>3.10</u>	<u>3.10</u>
Aggregate amount of unquoted investment	3.10	3.10
NOTE 14		
LONG TERM LOANS & ADVANCES (Refer Note No. 26.15(I))		
Unsecured considered Good:		
Capital Advances	142.18	109.00
Deposits with Government Authorities & others	61.18	64.76
Others	7.07	3.63
	<u>210.43</u>	<u>177.39</u>
NOTE 15		
INVENTORIES		
As taken, valued and certified by the management (At lower of Cost and Net Realisable value)		
Raw Materials	8838.53	10131.09
Stock in Process	4746.36	3790.77
Stores & Spares	1123.98	914.42
Finished Goods (Including GIT amounting Rs. 967.78 Lacs (P.Y: Rs. 603.42Lacs)	4600.44	4397.26
Waste (At net realizable value) {Including scrap of Rs. 3.41 Lacs (Previous year Rs. 2.33 lacs)}	56.10	47.58
	<u>19365.41</u>	<u>19281.12</u>
NOTE 16		
TRADE RECEIVABLES (Refer Note no.26.15(I))		
(Unsecured, considered good, unless otherwise stated)		
Exceeding six months from due date		
- Good	114.13	127.89
- Doubtful	<u>-</u>	<u>-</u>
	114.13	127.89
Other Debts	7059.03	5710.88
	<u>7173.16</u>	<u>5838.77</u>

NOTES**Winsome Textile Industries Limited**

PARTICULARS	(Rs. in lacs)	
	AS AT 31.03.2015	AS AT 31.03.2014
NOTE 17		
CASH & BANK BALANCES		
Cash & Cash Equivalents		
- Cash on hand (As certified by management)	-	-
Balances with Bank		
- on Current Accounts	143.75	414.82
Earmarked balances		
- on Unclaimed Dividend Account	<u>0.55</u>	<u>1.05</u>
Other Bank Balances		
- on Fixed Deposit \$*	<u>1500.26</u>	<u>1428.87</u>
	<u>1644.56</u>	<u>1844.74</u>

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

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

NOTE 18**SHORT TERM LOANS & ADVANCES (Considered Good)**

(Unsecured, unless otherwise stated)

Advances to suppliers	2082.01	6728.43
Interest Subsidy on Term Loans Receivable	865.44	664.76
Refund/ Claim Receivable	181.84	164.39
Balance with Excise and Sales tax Authorities	255.98	193.59
Export Incentives Receivables	1137.61	1060.71
MAT Credit Entitlements (Refer no. 26.24)	1981.48	1395.78
Others	<u>378.36</u>	<u>486.97</u>
	<u>6882.72</u>	<u>10694.63</u>

NOTE 19**REVENUE FROM OPERATION**

Sale of Products			
- Yarn#	51354.26	41035.72	
- Others	3731.33	2442.78	
- Trading Sale	<u>8097.64</u>	<u>5002.99</u>	48481.49
Sale of Services			
- Processing Income	0.61		0.16
Other operating revenues:			
- Waste & Scrap Sales	1763.11	1390.63	
- Insurance Claim	0.48	2.12	
- Pro-rata Capital Subsidy	-	<u>8.39</u>	<u>1401.14</u>
# including Export Incentives of Rs. 1165.66 Lacs (P.Y. Rs. 1055.96 lacs)		<u>64947.43</u>	<u>49882.79</u>

NOTES

Winsome Textile Industries Limited

PARTICULARS	(Rs. in lacs)	
	AS AT 31.03.2015	AS AT 31.03.2014
NOTE 20		
OTHER INCOME		
Interest Income	146.89	217.18
Profit on sale of Investment	-	38.30
Exchange Rate Variation Gain	88.91	483.34
Miscellaneous Income	9.57	1.93
Profit/(Loss) on sale of Assets (Net)	0.78	11.90
Rent Received	1.32	0.99
	<u>247.47</u>	<u>753.64</u>
NOTE 21		
Cost of Material Consumed		
Raw Material	30383.60	23805.35
Packing Material	920.96	604.19
	<u>31304.56</u>	<u>24409.54</u>
NOTE 22		
CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Closing Stock		
Finished Goods	4600.45	4397.26
Work in progress	4746.36	3790.77
	(A) <u>9346.81</u>	<u>8188.03</u>
Stock Under Trial Run		
Finished Goods	-	700.67
Work in progress	-	432.88
	(B) <u>-</u>	<u>1133.55</u>
Opening Stock		
Finished Goods	4397.26	1974.51
Work in progress	3790.77	2465.98
	(C) <u>8188.03</u>	<u>4440.49</u>
(Increase)/Decrease in Stocks (A-B)	<u>(1158.78)</u>	<u>(2613.99)</u>
NOTE 23		
EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages & Other allowances	3792.96	2875.44
Contribution to Provident and other Funds	322.20	295.11
Employees' Welfare and other Benefits	27.32	26.05
	<u>4142.48</u>	<u>3196.60</u>
NOTE 24		
FINANCE COST		
Interest Expenses	3861.84	2431.01
(Net of reimbursement under TUFF Rs. 1008.70 Lacs (Previous year Rs. 1114.73lacs))		
Interest Other	336.51	224.25
Other Borrowing Cost	1941.60	1732.93
	<u>6139.95</u>	<u>4388.19</u>
NOTE 25		
OTHER EXPENSES		
Conversion Charges	33.09	101.32
Consumption of Stores and spares	3964.05	3112.55
Power and Fuel	5397.44	4369.69
Rent	58.12	61.50
Repairs to Buildings	25.24	38.92
Repairs to Machinery	62.28	82.04
Insurance	91.54	81.17
Rates & Taxes	85.33	86.88
Freight & Handling Charges	1141.50	1025.53
Advertisement and sales promotion	7.07	1.76
Directors Fee	1.25	0.65
Commission	842.64	956.57
Bad Debts	12.31	125.97
Expenses of CSR Activities	17.96	-
Bank Charges	126.28	133.33
Exchange Loss/(Gain)	-	314.76
Printing & Stationery, Postage, Telephone, Traveling, and other Miscellaneous Expenses	1189.20	860.71
	<u>13055.30</u>	<u>11353.35</u>

26. NOTES TO ACCOUNTS

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

(Rs. in Lacs)

	Particulars	2014-15	2013-14
(i)	Bills discounted with banks	2736.35	3854.63
(ii)	Excise / Service Tax Matters	83.34	83.34
(iii)	Outstanding Bank Guarantees	612.16	554.17

(iv) Custom duty saved of Rs. 648.06 Lacs (Previous year Rs. 7648.45 Lacs) for import of capital good made under EPC scheme against which export obligations amounting to Rs. 3964.34 Lacs (Previous year Rs. 56,695.51 Lacs) pending.

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

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

26.2 Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.865.50 Lacs (Previous year Rs. 867.00 Lacs) {(net of advances Rs. 142.18 Lacs)(Previous year Rs. 109.00 Lacs)}.

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

26.4 The company is constructing a Hydro Electric Project (3.5 MW Power project) at Manuni, Himachal Pradesh which is shown under capital work in progress. The company has filed a writ petition before the Hon'ble Himachal Pradesh High Court at Shimla challenging levy of certain charges and additional free supply of power under "supplementary implementation agreement" to be executed by the company with the Government of Himachal Pradesh for the said power project. On Company's application, Hon'ble High Court has granted interim stay on 11th Sept' 2013 and currently the matter is sub-judice. Management is confident that there will not be any material impact of above on final settlement/decision.

26.5 The company has filed an application for the rebate claim which is disputed and pending at the office of the Joint Secretary, New Delhi under export promotion scheme of Rs.27.76 lacs.

26.6 TUFS Interest Subsidy amounting to Rs. 82.44 lacs is recoverable from two banks as on 31st 'March'2015 since Dec. 2011 (Rs. 35.05 lacs) and Sept. 2012 (Rs. 47.39 lacs) . In view of management these amounts are good and recoverable.

26.7 The company has taken legal and other persuasive actions for recovery of certain overdue Trade Receivable amounting to Rs. 66.27 lacs (includes of overdue overseas Trade Receivable of Rs. 30.84 lacs). In the opinion of the management, these outstanding are good and fully recoverable and hence no provision there against is considered necessary.

26.8 Balance of certain receivables (read with note no. 26.3), loans and advances (including capital advance), trade payables and other liabilities are in the process of confirmation / reconciliation.

26.9 In accordance with the Accounting Standards (AS-28) on "Impairment of Assets" as notified under Company (Accounting Standard) Rules, 2006, 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.

26.10 Pursuant to adoption of Schedule II to the Companies Act, 2013, the depreciation charge for the year is lower by Rs. 393.57 lacs.

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

26.12 Capital work in progress including civil work under construction, electric installation and fittings, Machinery

Winsome Textile Industries Limited

under installation/erection and following pre-operative expenditure pending allocation/capitalization :

(Rs.in lacs)

Particulars	2014-15	2013-14
Opening Balance	939.34	1,434.96
Raw material consumed	-	6,522.79
Stores & Spares consumed	-	315.71
Power and Fuel	0.72	675.76
Salary, Wages & Allowances	24.81	381.17
Insurance	1.97	13.21
Interest (Net of subsidy)	62.23	1,379.72
Other Borrowing Costs (Include Loan processing fees, etc.)	0.34	48.66
Miscellaneous and other expenses	30.89	154.88
Total	1060.30	10,926.87
Less: Trial Run Sales	-	7,188.90
Less: Scrap Sales	-	630.89
Less: Trial Run Stock	-	1,133.55
Less: Allocated/Appropriated	-	1,034.19
Closing balance	1060.30	939.34

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

Sr. No.	Particulars	2014-15	2013-14
a)	(i) Principal amount remaining unpaid at the end of the accounting year (ii) Interest due on above	-	-
b)	The amount of interest paid by the buyer along with amount of payment made to the supplier beyond the appointed date.	-	-
c)	The amount of interest accrued and remaining unpaid at the end of financial year	-	-
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding interest specified under this act.	-	-
e)	The amount of further interest due and payable in succeeding year, until such interest is fully paid.	-	-

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

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

26.16 Employees Benefits:

Defined Benefit Plan:

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

I. Amount to be recognized in the balance sheet.

(Rs In

Lacs)	Particulars	Gratuity		Leave Encashment	
		(Funded)		(Unfunded)	
		2014-15	2013-14	2014-15	2013-14
I. Amount to be recognised in the balance sheet.					
	Present Value of Obligation as at 31st March 2015	368.60	318.48	78.07	67.77
	Fair value of plan assets as at 31st March 2015	86.89	65.05	-	-
	Funded Status [Surplus/(Deficit)]	281.71	-253.43	78.07	-67.77
	Net Assets/(Liability) Recognized in Balance Sheet	-281.71	-253.43	-78.07	-67.77
II. Expenses recognized during the period					
	Current Service Cost	61.64	51.75	42.1	38.89
	Interest Cost	25.47	22.87	5.42	4.27
	Expected Return on Plan Assets	-5.94	-4.65	-	-
	Actuarial (gain)/loss	-23.54	13.16	22.86	25.75
	Net Expenses Recognized	57.63	83.14	70.38	68.92
III. Reconciliation of opening and closing balance of Defined Benefit Obligation					
	Present Value of Obligation at the beginning of the period	318.48	254.16	67.77	47.50
	Current Service Cost	61.64	51.75	42.1	38.88
	Interest Cost	25.47	22.87	5.42	4.27
	Actuarial (gain)/loss on obligations	-26.38	13.30	22.86	25.76
	Benefit Paid	-10.61	-23.61	-60.08	-48.65
	Present Value of Obligation as at the end of the period	368.60	318.48	78.07	67.77
IV. Reconciliation of opening and closing balance of fair value of plan assets					
	Fair value of plan assets at the beginning of the period	65.05	43.37	-	-
	Expected Return on Plan Assets	5.94	4.65	-	-
	Contributions	29.35	40.50	-	-
	Actuarial gain/(loss) on obligations	(2.84)	(0.14)	-	-
	Benefit Paid	(10.61)	(23.61)	-	-
	Fair value of plan assets at the end of the period	86.89	65.05	-	-
V. Reconciliation of opening and closing balance of fair value of plan assets					
	Fair value of plan assets at the beginning of the period	65.05	43.37	-	-
	Actual Return on Plan Assets	3.10	4.79	-	-
	Contributions	29.35	40.50	-	-
	Benefit Paid	-10.61	-23.61	-	-
	Fair value of plan assets at the end of the period	86.89	65.05	-	-
	Funded Status	281.71	-253.43	-	-
VI. Investment Detail					
All Investments are made with through LIC.					
Actuarial/Demographic assumptions:					
	Indian Assure Lives Mortality Table (LIC)	2006-08	1994-96	2006-08	1994-96
	Discount rate (Per annum)	8%	9%	8%	9%
	Expected Return on Plan Assets (Per annum)	8%	9%	8%	9%
	Estimated rate of increase in compensation level	5%	6%	5%	6%
	Retirement Age	58 Years			
	Withdrawal Rate (All ages)	10.00%			
	Disability	No explicit allowance			
	Average accumulated leave per employee (in days)	7	8	7	8

Winsome Textile Industries Limited

- (i) Contribution to defined contribution plan, recognized as expenses during the year is Rs. 191.01 Lacs (P.Y. Rs. 149.81 Lacs) & as transferred to Capital Work-in-progress is Rs. Nil Lacs (P.Y. Rs. 8.39Lacs).
- (ii) The estimate of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.
- (iii) The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.
- (iv) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of assets management, historical results of return on plan assets and the policy for plan assets management.

26.17 Research and Development expenditure amounting to Rs.67.83Lacs (Previous year Rs. 59.78Lacs) have been charged to Statement of Profit and Loss in respective heads of the accounts (As certified by the management).

26.18 (a) Auditors Remuneration (including Service Tax)

	(Rs. In Lacs)	
Particulars	2014-15	2013-14
Audit Fee	4.10	4.10
Tax Audit Fee	0.40	0.40
Certification Fees	1.02	0.67
Reimbursement of expenses	1.71	1.83

	2014-15	2013-14
Particulars		
Cost Audit Fee	0.62	0.62

- 26.19 (a) i) As per the past practice, consumption of raw material and stores and spares is derived as net of opening stock plus purchases less closing stock, as certain item-wise records are in process of updation.
- ii) in view of para (i) above, closing inventories of stock in process and finished goods have been considered as taken, valued and certified by the management after providing against old/non moving inventories; if any, as assessed / estimated by the management.
- (b) Profit /Loss on sale of stores and raw materials remains adjusted in their respective consumption accounts.
- (c) Prior period adjustment (net) Rs.8.99 lacs (Previous year Rs. 28.47 lacs) include Testing charges- Rs 0.62 lac, (Previous year Rs 1.36 lacs) Freight & Commission- Rs NIL (Previous year Rs 0.39 lac) Fees & Subscription Rs 0.77 lac (Previous year Rs 1.97 lacs) Employee Welfare- Rs NIL (Previous year Rs 0.89 lac) Postage & Telegram- Rs NIL (Previous year Rs 0.096 lac) Repair to building & Machinery- Rs 1.17 Lacs (Previous year Rs 3.53 lacs) Recruitment Expenses Rs.0.60 lac (Previous year Rs 0.02 lac) and loss on sale of licenses Rs. NIL (Previous year Rs 20.22 lacs), Legal and Professional fee Rs 1.03 lacs, Water Charges Rs 0.27 lac, Brokerage Rs 1.80 lacs, ERP support Charges Rs 2.73 lacs.

26.20 Segment Reporting

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

Winsome Textile Industries Limited

(Rs. In lacs)

	Particulars	India	Outside India	Total
(i)	External Revenue-Sales	42745.73	22203.86	64949.59
	Less: Excise duty	2.16	-	2.16
	External Revenue-Sales (Net)	42743.57	22203.86	64947.43
		(29435.61)	(20436.66)	(49872.27)
(ii)	Carrying amount of segment assets by location of assets	73640.38	1008.01	74648.39
		(73378.40)	(4097.75)	(77476.15)
(iii)	Capital Expenditure	1856.46	NIL	1856.46
		(9410.51)	NIL	(9410.51)

26.21 As estimated and assessed by the management, certain tax allowances / deductions have been considered and accordingly Net Deferred Tax Liability of Rs. 812.44 Lacs (Previous Year Rs. 1647.28 Lacs Net Deferred Tax Liability) have been accounted for the year.

26.22 Related party disclosures

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

1. **Wholly owned Subsidiary Company:-**

- Winsome Textile Industries FZE UAE (ceased w.e.f. 30th March' 2014)

2. **Key management personnel and their relatives.**

- Shri Satish Bagrodia Chairman Cum Whole time director (till 20th 'Sep'2014)
 - Shri Ashish Bagrodia Chairman Cum Managing Director
 - Shri Anil Sharma Chief Executive Officer^
 - Shri Sanjay Kedia Chief Financial Officer^
 - Shri Sourabh Gupta Company Secretary^

^Pursuant to the Companies Act, 2013

3. **Enterprise where Key Management Personnel & their relative have Significant influence**

- Winsome Yarns Limited (Associate till 20th Sept 2014)
 - Starpoint Financial Services (Pvt.) Ltd.

4. **i) Transactions with the Related Parties during the year ended 2014-15**

(Rs. In lacs)

Particulars	2014-15	2013-14
Winsome Yarns Ltd.		
Expenses reimbursed to	9.64	1.19
Expenses reimbursed by	2.19	3.81
Balance Receivable - at year End	1089.44	1088.19
Balance Payable- at year end	9.49	-
Starpoint Financial Services (P) Ltd		
-Rent Paid	24.96	24.96
Winsome Textile Industries FZE, UAE		
Investment realized during the year	NIL	6.51
Consultancy Charges Paid to Shri Satish Bagrodia	5.00	-

ii) Remuneration (Including Commission) to Chairman Cum Managing Director Rs. 65.11 Lacs (P.Y Rs. 68.35 Lacs), Chairman Cum Whole Time Director up to 20th September, 2014 Rs. 29.65 Lacs (P.Y Rs. 64.30 Lacs).

Remuneration to Chief Executive Officer Rs. 39.34 Lacs, Chief Financial Officer Rs. 18.89 Lacs , Company Secretary Rs. 10.23 Lac.

26.23 Earning per share

Basis for calculation of basic and diluted Earning Per Share is as under:

(a) BASIC / DILUTED EARNING PER SHARE (Rs. in Lacs)

Particulars	2014-15	2013-14
Net Profit attributable to Equity Shareholders (Rs. in lacs)	1292.20	1828.57
Weighted average number of equity shares (in nos.)	1,98,20,000	1,98,20,000
Nominal Value per equity share (Rs.)	10.00	10.00
Basic EPS (Rs.)	6.52	9.23
Diluted EPS (Rs.)	6.52	9.23

26.24 Based upon Future plans, expected sales and profitability as assessed by the management in near future (in next twelve months) which will enable company to utilise MAT credit entitlement of Rs. 1981.48 Lacs (Previous Year Rs. 1395.78 Lacs)and accordingly the same is shown under "Short Term Loans & Advances".

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

26.26 (a) Raw Material & Packing Material Consumed (Rs. in Lacs)

Particulars	2014-15	2013-14
Cotton	28565.10	22712.81
Packing Material	920.96	604.19
Others	1818.50	1092.54
Total	31304.56	24409.54

(b) Total Value of Raw Materials (includes packing material) and Stores & Spares consumed (as certified by the management):

(Rs. in Lacs)

Particulars	Raw Material				Stores & Spares			
	2014-15	%	2013-14	%	2014-15	%	2013-14	%
Imported	263.52	0.84	81.17	0.33	88.35	2.23	208.75	6.71
Indigenous	31041.04	99.16	24328.37	99.67	3875.70	97.77	2903.80	93.29
Total	31304.56	100	24409.54	100	3964.05	100	3112.55	100

(c) Detail of Work in Progress (as certified by the management) :-

(Rs. in Lacs)

Particulars	2014-15	2013-14
	Amount	Amount
Fleece	2057.70	1860.58
Roving	1096.83	524.89
Yarn	1591.82	1405.30
Total	4746.36	3790.77

(d) Detail of Traded Goods *

(Rs. in Lacs)

Particulars	2014-15		2013-14	
	Purchase	Sales	Purchase	Sales
Yarn	7834.20	8097.64	4802.79	5002.99
Total	7834.20	8097.64	4802.79	5002.99

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

(e) Imports at CIF Value (as certified by the management) :

(Rs. in Lacs)

Particulars	2014-15	2013-14
Raw Material	186.17	113.50
Capital goods	107.83	2278.57
Spare Parts & Components	129.36	216.42
Total	423.36	2608.49
Earnings in Foreign Exchange		
Exports of goods on FOB basis (excluding export through export houses & EOU)	19226.61	19685.75

(Rs. in lacs)

(f) Expenditure in Foreign currency (as certified by the management)

Particulars	2014-15	2013-14
Traveling Expenses	33.35	62.04
Commission and other expenses	213.16	99.38
Bank Charges	-	0.35
Interest paid	234.98	229.10

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

Particulars	Document Currency	Amount in Document Currency		Amount (Rs. in Lacs)	
		2014-15	2013-14	2014-15	2013-14
Trade receivables (Net of Foreign Bill Discounting)	USD	1613796.40	6644,961.35	1008.01	4036.69
	Euro	-	28116.90	-	23.94
Advances from Customers	USD	198262.39	273861.73	123.84	166.59
	Euro	19680.00	5550.53	13.07	4.65
Trade Payables	USD	105459.74	91873	65.92	47.36
	CHF	12557.86	26026.56	8.06	15.85
	Euro	26067.50	16491.32	17.50	10.04
Foreign Currency Loan	USD	6111410.06	4947876.16	3819.94	3043.2
Foreign Commission Payable	USD	143179.00	152245.70	89.49	91.23
	Euro	1655.86	1856.07	1.11	1.53

(B) Forward Contracts of Rs. 3984.62 Lacs, US \$ 63.53 Lacs and EURO 0.55 Lacs (Previous Year 815.98 Lacs US \$ 12.46 Lacs) are outstanding as at 31st March 2015 taken for the purpose of hedging of Trade Receivable against future sale.

Winsome Textile Industries Limited

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

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

**As per our report of even date
For LODHA & CO.
Chartered Accountants
Firm Registration No. 301051E**

For & On Behalf of Board of Directors

N.K. Lodha
Partner

Ashish Bagrodia
Chairman Cum Managing Director
DIN - 00047021

Anil Sharma
Chief Executive Officer

Sanjay Kedia
Chief Financial Officer

M. No. 85155
PLACE : Chandigarh
DATED : 26.05.2015

Sourabh Gupta
Company Secretary
FCS - 5952

Directors: Chandra Mohan
DIN-00017621

Satish Girotra
DIN-01112511

Amrit Lal Batra
DIN-00399728

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Winsome Textile Industries Limited

Winsome Textile Industries Limited

Registered office : 1, Industrial Area, Baddi, Distt. Solan (H.P.) 173205, CIN:L17115HP1980PLC005647,
 Phone : 01795-244045, Fax : 01795-244287, E- mail : cswtil@winsometextile.com,
 Website : www.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 the above named Company , 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 34th Annual General Meeting of the Company, to be held on Monday, the 28th day of September, 2015 at 10:00 A.M. at regd. office of Company at 1, Industrial Area, Baddi, Distt. Solan, Himachal Pradesh and at any adjournment thereof in respect of such resolutions as are indicated below :-

S. No.	Resolutions	For	Against
Ordinary Business			
1.	Adoption of Audited Financial Statements of the Company together with the Reports of Board of Director's and Auditor's thereon for the year ended 31st March, 2015.		
2.	Re-appointment of Shri Ashish Bagrodia (DIN-00047021) as Director who retires by rotation.		
3.	Ratification of appointment of M/s Lodha & Co., as Statutory Auditors of Company & to fix their remuneration.		
Special Business			
4.	Appointment of Smt.Neena Singh (DIN-00233352) as an Independent Director.		
5.	Re-appointment of Shri Ashish Bagrodia (DIN-00047021) as Managing Director of the Company.		
6.	Ratification of remuneration of Cost Auditors.		

Signed this day of 2015.

.....
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

Registered office : 1, Industrial Area, Baddi, Distt. Solan (H.P.) 173205

CIN : L17115HP1980PLC005647

Phone No. : 01795-244045, Fax No. : 01795-244287

Website : www.winsometextile.com

E- mail : cswtil@winsometextile.com

Please complete the Attendance Slip and hand it over to the authorized person(s) of the Company at the time of Annual General Meeting.

ATTENDANCE SLIP

(To be filled by the shareholders)

I hereby record my presence at the 34th ANNUAL GENERAL MEETING of the Company being held on Monday, the 28th day of September, 2015 at 10:00 A.M. at the Regd. Office of the Company at 1, Industrial Area, Baddi, Distt. Solan, Himachal Pradesh.

REGD. FOLIO NO.	DP id*
No. of Shares	Client id*
NAME OF SHAREHOLDER (IN BLOCK LETTERS)	
SIGNATURE OF THE SHAREHOLDER OR PROXY	

*If shares are dematerialised.

NOTE : NO GIFTS OR COUPONS WOULD BE GIVEN TO THE SHAREHOLDERS / PROXY FOR ATTENDING THE ANNUAL GENERAL MEETING.



Dedicated Workforce



Residential Facilities at Baddi (H.P.)

KNIT FABRIC



Circular Knitting



Collar Knitting



Fabric Finishing



Fabric Inspection

AWARDS AND RECOGNITIONS

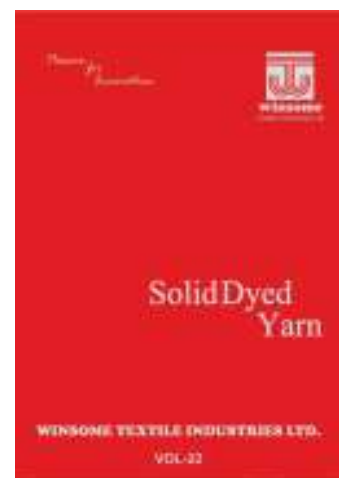
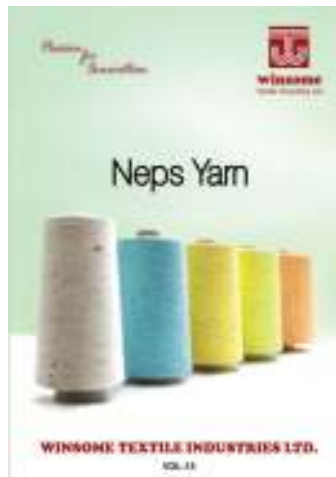
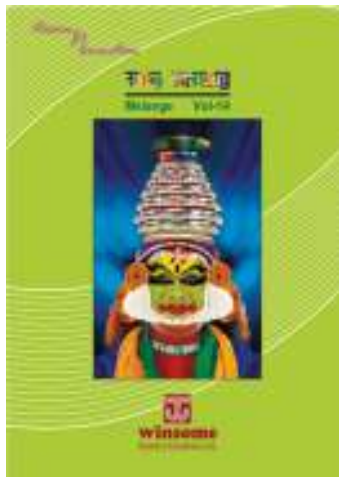


Shri Ashish Bagrodia, Chairman & Managing Director of Company, while receiving Silver Trophy by 'TEXPROCIL' for second Highest Exports of Cotton Yarn (Processed Yarns) in the Category II (Export Performance between Rs.50 crores to Rs.500 crores) for financial year 2013-14.



Shri Ashish Bagrodia, Chairman & Managing Director of Company, along with Shri Chandra Mohan, Director, standing with the winning team of Company, being winner of 2nd Prize in Tenth North West Qualtech Award in the medium category for its project "To improve Carding Production in Melange Yarn".

OUR PRODUCT RANGE



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



If undelivered, please return to :
Winsome Textile Industries Limited
Corporate Office : SCO 191-192, Sector 34 A,
Chandigarh - 160 022 (India)

Form No. B

Format of covering letter of the Annual Audit Report to be filed with the Stock Exchanges

1.	Name of the Company	Winsome Textile Industries Limited
2.	Annual Financial Statements for the year ended	31 st March 2015
3.	Type of Audit Qualification	<p>Qualification under the heading/referred to in 'Basis for Qualified Opinion' paragraph of the Independent Auditors' Report dated 26.05.2015 to the members of Winsome Textile Industries Ltd. on the accounts for the year ended 31st March 2015:</p> <p>(i) Note No.26.3 regarding non-provisioning against receivables amounting to Rs. 1089.44 lacs which in the opinion of management is good and recoverable as stated in the said notes and our inability to comment thereon.</p> <p>(ii) Note no. 26.7 regarding non provision for shortfall in recovery (amount unascertainable) against overdue debt of Rs. 66.27 lacs (Previous Year Rs. 85.15 lacs) as stated in the said note for which legal and other persuasive action for recovery has been initiated, in the opinion of the management these debts are good and recoverable as stated in the said note and our inability to comment thereon.</p> <p>Auditors further report that the profit for the year, the balance in reserve & surplus, receivable, loans & advances and profit for the year are without considering items mentioned in (i) & (ii) above, the effect of which could not be determined.</p> <p>Auditors opinion was also qualified on the financial statements for the year ended 31st March 2014 in respect of overdue debts reported in (ii) above.</p>
4.	Frequency of Qualification	<p>a) For point no.(i) first time in F.Y. 2014-2015.</p> <p>b) For point no.(ii) since 2000-2001; however the amount for doubtful debts changed year on year basis.</p>
5.	Draw attention to relevant notes in the Annual Financial Statements and management response to the qualification in the Directors' Report	<p>As per page no.18 of Director's Report of Annual Report 2014-2015 under Comments by the Board to Director's Report.</p> <p>(a) With regard to Auditor's observation no.(i) mentioned in Note No.26.3 of Notes to Accounts read with significant accounting policies, regarding non-provisioning against receivables amounting to Rs.1089.44 lacs, the explanation of Directors are that the management is hopeful of recovery considering preparation of financial statement of the said body corporate as going concern basis, future prospects of revival of textile market and stable government policies, therefore no provision there against is considered necessary.</p>

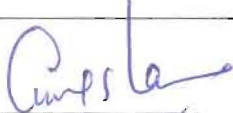


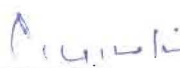


		(b) With regard to Auditor's observation no.(ii) mentioned in Note No.26.7 of Notes to Accounts read with significant accounting polices, regarding non provision for shortfall in recovery (amount unascertainable) against overdue debt of Rs.66.27 lacs (Previous Year Rs. 85.15 Lacs) as stated in the said note, the explanation of Directors are that the Company has taken legal and other persuasive actions for recovery of certain overdue Trade Receivable amounting to Rs.66.27 lacs (includes overdue overseas Trade Receivable of Rs.30.84 lacs). In the opinion of management, these debts are good and fully recoverable, hence no provision there against is considered necessary.
6.	Additional Comments from the Board/ Audit Committee Chair	Nil.

Further to above, under the 'Emphasis of Matters' paragraph, Independent Auditors have drawn attention to the following:-

- (i) Note no. 26.8 regarding balances of certain receivables, loans and advances (including capital advances), trade payables and other liabilities are subject to confirmation/reconciliation.

Auditors report is not qualified in respect of above matter.

To be signed by:		
1	CEO/Managing Director	 Anil Sharma Chief Executive Officer (CEO)
2	CFO	 Sanjay Kedia Chief Financial Officer (CFO)
3	Auditor of the Company 	 N. K. Lodha M. No. 85155 M/s Lodha & Co. Chartered Accountants FRN:- 301051E
4	Audit Committee Chairman	 Satish Girotra Audit Committee Chairman (DIN-01112511)