

GIRISH MADAN & ASSOCIATES
COMPANY SECRETARIES
623, SECTOR 8, PANCHKULA – 134109
Telephone : 0172-4628623, Mobile No. 9814212623

To

WINSOME YARNS LTD
SCO 191-192, SECTOR 34-A
CHANDIGARH-160022

REF: SECRETARIAL COMPLIANCE REPORT of WINSOME YARNS LTD,
CIN: L17115CH1990PLC010566 having registered office at SCO 191-192, Sector
34-A Chandigarh-160022 **for the year ended 31ST March, 2022.**

We, M/s Girish Madan & Associates a firm of Company Secretaries having office at #623, Sector 8, Panchkula-134109, Haryana, have examined:

- (a) All the documents and records made available to us and explanation provided by **WINSOME YARNS LTD** (hereinafter referred to as “the listed entity”),
- (b) The filings/ submissions made by the listed entity to the stock exchanges,
- (c) Website of the listed entity,
- (d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended **March 31st 2022** (“Review Period”) in respect of compliance with the provisions of :
 - a) The Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued there under; and
 - b) The Secretaries Contracts (Regulation) Act, 1956 (“SCRA”), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India (“SEBI”);

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

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **Yes- there is a non-compliance for non payment of annual listing fee to BSE for the F.Y. 2021-22.**
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **No such transaction during the Financial year 2021-22.**

- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **No such transaction during the Financial year 2021-22.**
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **No such transaction during the Financial year 2021-22.**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **No such transaction during the Financial year 2021-22.**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **No such transaction during the Financial year 2021-22.**
- (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations 2013; **No such transaction during the Financial year 2021-22.**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **No such transaction during the Financial year 2021-22.**
- (i) Securities and Exchange Board of India (Depository and Participants) Regulations, 2018; **N/A**

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

- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued there under as per Annexure 1, except in respect of matters specified below:-

TABLE-I

Sr. No.	Regulation Name/ SEBI Circular Number	Regulation Number/ Circular dated	Compliance Requirement (Regulations/ Circulars/ Guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	SEBI (LODR),	14	Annual Listing Fee	For the Financial year	The company had not

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	Regulation, 2015		to BSE	2021-22	paid Annual Listing fee to BSE Limited for the Financial year 2021-22 till 31.03.2022. Company has however paid the listing fees for FY 2020-21 on 12/01/2022.
2	SEBI (LODR), Regulation, 2015	98	Suspension of trading of equity shares of the company due to non payment of fine imposed by BSE on default in composition of Audit Committee under Regulation 18(1).	For the Financial year 2019-20 Default in the composition from 08.05.2019 to 19.07.2019 for 73 days.	The trading of equity shares of the company was suspended on BSE and NSE as on 31.03.2022. Company has made payment of all fines imposed by BSE and NSE during the financial year 2019-20. Company subsequently applied for revocation of suspension vide letter dated 21/02/2020, response still awaited.
3	SEBI (LODR), Regulation, 2015	6	Appointment of Company Secretary	Mrs. Aman Priya was the Company Secretary up to 31.12.2020. Further Ms. Neha Singhal was appointed as Company Secretary on 27.06.2021.	There was no Company Secretary appointed in the Company from 01.04.2021 to 26.06.2021.

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

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(c) The following are the details of actions taken as on 31.03.2022 against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

TABLE-II

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. Fines, warning letter, debarment, etc.	Observations, Remarks of the Practicing Company Secretary, if any.
1	SEBI	Under Section 15-I of SEBI Act, 1992 read with rule 5 of SEBI (Procedure for holding inquiry and imposing penalties) Rules, 1995 and under Section 23-I of Securities Contracts (Regulation) Act, 1956 read with Rule 5 of Securities Contracts (Regulation) (Procedure for holding inquiry and imposing penalties) Rules, 2005	SEBI vide its Adjudication Order No. Order/ MC/ HP/ 2021-22/12020-12021 dated 28.05.2021 has imposed Penalty of Rs. 11.00 Crores on Winsome Yarns Limited and Rs. 1.00 Crore on Mr. Manish Bagrodia.	Winsome Yarns Limited and Mr. Manish Bagrodia have filed the Appeals with Securities Appellate Tribunal, Mumbai on 12.10.2021 and 18.11.2021.

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

TABLE-III

Sr. No.	Regulation Name/ SEBI Circular Number	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended on 31.03.2022.	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed
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					entity
	SEBI (LODR), Regulation, 2015	Appointment of Company Secretary	N/A	Appointed Ms. Neha Singhal as Company Secretary on 27.06.2021.	The Company has appointed Ms. Neha Singhal as Company Secretary on 27.06.2021.

**For GIRISH MADAN & ASSOCIATES
Company Secretaries**

**Place : Panchkula
Date : 25.04.2022
UDIN: F005017D000196956**



**CS GIRISH MADAN
PROPRIETOR
Membership No: FCS 5017
COP: 3577**

ANNEXURE 1

1. Name of Listed Entity - **Winsome Yarns Limited**
2. Financial Year - **2021-22**

Compliance Status at the end of the financial year (for the whole of financial year)

I. Disclosure on website in terms of Listing Regulations.

Item	Compliance status (Yes/No/NA)	Website
As per regulation 46(2) of the LODR:		
Details of business	Yes	winsomegroup.com
Terms and conditions of appointment of independent directors	Yes	winsomegroup.com
Composition of various committees of board of directors	Yes	winsomegroup.com
Code of conduct of board of directors and senior management personnel	Yes	winsomegroup.com
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes	winsomegroup.com
Criteria of making payments to non-executive directors	Yes	winsomegroup.com
Policy on dealing with related party transactions	Yes	winsomegroup.com
Policy for determining 'material' subsidiaries	Not Applicable	
Details of familiarization programs imparted to independent directors	Yes	winsomegroup.com
Email address for grievance redressal and other relevant details entity who are responsible for assisting and handling investor grievances	Yes	winsomegroup.com
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances other relevant details	Yes	winsomegroup.com
Financial results	Yes	winsomegroup.com
Shareholding pattern	Yes	winsomegroup.com
Details of agreements entered into with the media companies and/or their associates	Not Applicable	

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Schedule of analyst or institutional investor meet and presentations made by the listed entity to analysts or institutional investors simultaneously with submission to stock exchange	Not Applicable	
New name and the old name of the listed entity	Not Applicable	
Advertisements as per regulation 47 (1)	Yes	winsomegroup.com
Credit rating or revision in credit rating obtained by the entity for all its outstanding instruments obtained	Not Applicable	
Separate audited financial statements of each subsidiary of the listed entity in respect of a relevant financial year	Not Applicable	
As per other regulations of the LODR:		
Whether company has provided information under separate section on its website as per Regulation 46(2)	Yes	winsomegroup.com
Materiality Policy as per Regulation 30	Yes	winsomegroup.com
Dividend Distribution policy as per Regulation 43A (as applicable)	Not Applicable	
It is certified that these contents on the website of the listed entity are correct.	Yes	winsomegroup.com

ii. Annual Affirmations

Particulars	Regulation Number	Compliance status (Yes/No/NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1), 17(1A) & 17(1B)	Yes
Meeting of Board of directors	17(2)	Yes
Quorum of Board meeting	17(2A)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Recommendation of Board	17(11)	Yes
Maximum number of directorship	17A	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes

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Composition of nomination & remuneration committee	19(1) & (2)	Yes
Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes
Meeting of nomination & remuneration committee	19(3A)	Yes
Composition of Stakeholder Relationship Committee	20(1), 20(2) and 20(2A)	Yes
Meeting of stakeholder relationship committee	20(3A)	Yes
Composition and role of risk management committee	21(1),(2),(3),(4)	Yes
Meeting of Risk Management Committee	22	Yes
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(1A),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	Not Applicable
Disclosure of related party transactions on consolidated basis	23(9)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Annual Secretarial Compliance Report	24(A)	Yes
Alternate Director to Independent Director	25(1)	Not Applicable
Maximum Tenure	25(2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Declaration from Independent Director	25(8) & (9)	Yes
D & O Insurance for Independent Directors	25(10)	Not Applicable
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non- Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes