



Winsome Yarns Limited



BOARD OF DIRECTORS

Shri Satish Bagrodia	<i>Chairman</i>
Shri Chandra Mohan	<i>Director</i>
Shri Brij Khanna	<i>Director</i>
Shri Ashish Bagrodia	<i>Director</i>
Shri G.K. Sawhney	<i>Director (PNB Nominee)</i>
Shri S.K. Singla	<i>Director (PSIDC Nominee)</i>
Shri Manish Bagrodia	<i>Managing Director</i>

GM (LEGAL) & COMPANY SECRETARY

Shri K.V. Singhal

AUDITORS

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

BANKERS

Canara Bank
State Bank of Patiala
Punjab National Bank

REGISTERED OFFICE

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

SHARE TRANSFER AGENT

Linkintime India Pvt. Ltd.
A-40, 2nd Floor, Near Batra Banquet Hall,
Naraina Industrial Area, Phase-II,
New Delhi-110 028

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NOTICE

NOTICE is hereby given that the 20th Annual General Meeting of the Members of Winsome Yarns Limited, will be held on Thursday, the 30th September, 2010 at 3.30 p.m. at PHD Chamber of Commerce and Industry, Regional Office, PHD House, Sector 31-A, Chandigarh to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March 2010, 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 Satish Bagrodia, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Brij Mohan Khanna, who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT M/s Lodha & Co., Chartered Accountants, (Firm Registration No. 301051E) be and are hereby appointed as Statutory Auditors of the company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the company, at a remuneration to be decided by the Board of Directors."

By order of the Board

Dated : 27.05.2010
Place : Chandigarh

SATISH BAGRODIA
Chairman

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. The proxy form duly executed and stamped should be deposited with the company at its Registered Office not less than forty-eight hours before the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 28.09.2010 to 30.09.2010 (both days inclusive).
4. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for easy identification for attendance at the meeting.
5. Item No. 2 Shri Satish Bagrodia aged about 71 years, B.Sc. Engg. (Mech.) & FIE has around 45 years experience of setting up and implementing Industrial Projects. Presently, he is the Chairman of your Company and Winsome Textile Industries Limited and director of IDS Infotech Limited and Winsome Capital Services Limited. He is also the member of PHD Chamber of Commerce and Industry. He is holding 429000 shares of the company
6. Item No. 3- Shri Brij Mohan Khanna aged about 79 years, B.A., L.L.B. is the leading Income Tax practitioner, having experience about 53 years. He is holding 10000 shares of the company.

Presently, he is Director of Winsome Yarns Limited, Engineering Innovations Limited and Stanley Engineering (P) Limited. He is also Chairman of Audit Committee, Shareholders/ Investors Grievance Committee and Remuneration Committee in Winsome Yarns Limited.

- 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 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.
- 10 M/s Link Intime India Pvt. Limited, A-40, 2nd Floor, Near Batra Banquet Hall, Phase-II, Naraina Industrial Area, New Delhi-110028 (Tele. 011-41410592-94, Fax No. 011-41410591) is acting as common agency for dematerialisation and physical transfer of shares of the company. The members should send their physical shares and letter for change of address and issue of duplicate shares directly to the aforesaid share transfer agent.
- 11 According to section 205(A)(5) of the Companies Act, 1956, unclaimed dividend for the year 2002-03 is due to be transferred to Investor Education and Protection Fund, in the month of October/ November, 2010. The shareholders who have not claimed their dividend for the year 2002-03 are requested to claim the same from the company immediately.

By order of the Board

Dated : 27.05.2010
Place : Chandigarh

SATISH BAGRODIA
Chairman

Your Directors have pleasure in presenting the 20th Annual Report together with the audited statement of Accounts of the Company for the financial year ended 31st March, 2010.

Financial Highlights	Year ended 31.3.2010 (Rs.in lacs)	Year ended 31.3.2009 (Rs. in lacs)
Sales	22225.71	14767.71
Profit before Interest , Depreciation & Tax	3394.73	159.96
Less: Interest	3173.93	2600.24
Profit/(Loss) before Depreciation	220.80	(2440.28)
Less: Depreciation	2014.09	1910.02
Profit/(Loss)before Taxes	(1793.29)	(4350.30)
Less: — Current Tax	-	-
— Credit against MAT	-	-
— Fringe Benefit Tax	0.15	10.47
— Deferred Tax Liability / (Asset)	(586.02)	(1577.88)
Net Profit / (Loss) after Taxes	(1207.42)	(2782.89)
Add : Surplus brought forward from previous year	2514.25	5297.14
Balance carried to Balance Sheet	1306.83	2514.25

Operations & Performance

In the backdrop of the financial crisis witnessed in the previous financial year and the subsequent fallout, FY 2010 was an extremely challenging year for your Company. However, the resilience and inherent strengths of your company's brands, quality manufacturing and deep network relationships enabled your company to weather the downturn and achieve better performance as compared to previous year. Your company continues to be the market leader in its core business. A number of rationalization and restructuring initiatives were taken during the year under review to further consolidate its strengths and position itself to take advantage of the upturn. During the year under review, your Company has achieved a turnover of Rs. 22225.71 lacs against the previous year's turnover of Rs. 14767.11 lacs i.e registering an increase of 50% (approx.). However the Company incurred a net loss (after tax) of Rs. 1207.42 lacs (previous year net loss after tax Rs. 2782.89 lacs). With the increased turnover the Company managed to reduce its net losses by 56% (approx.). The performance during the year had been severely affected due to increase in raw material prices, shortage of manpower and electricity. Further, the general inflationary conditions of the country have also affected the performance of the company.

However, during the current year the yarn markets have been bullish and along with the improved production, your company has started to perform better as compared to the last year. With this trend it is expected that the current year performance will be substantially better.

Expansions

The Company had undertaken following expansion projects:

- Addition of 60,000 spindles in two phases at it existing Derabassi Plant.
- Installation of another 180 knitting machines in three phases at Mohali; and
- Implementation of 3.9 MW Micro Hydel Power Project at 5(five) locations near Ludhiana, Punjab.

The Board is pleased to inform the members that installation of 30,000 spindles and 180 knitting machines have successfully completed. The implementation of five mini hydel power projects to produce 3.9 MW of electricity is underway. The first project has already commissioned on 12th June, 2010. The second is expected to be commissioned in September, 2010. The rest three projects are at advanced stage of implementation.

Subsidiary Companies & Overseas Operations

According to the provisions of Section 212 of Companies Act, 1956, the holding company is required to attach the balance sheet etc. of its subsidiary companies along with its balance sheet. Due to Global recession of which European Countries are the worst affected, the second, third and fourth step down subsidiaries of the Company namely; S.C. Winsome Romania, S.r.l., IMM Winsome Italia S.r.l. and S.C. Textil, S.r.l. went in to liquidation and their balance sheet etc. is not available. The exemption from attaching the balance sheet etc. of these three

subsidiary companies was sought, pursuant to Section 212(8) of Companies Act, 1956, which has since been granted by Ministry of Corporate Affairs, Govt. of India vide its letter no. 47/644/2010-CL-III dated 11.08.2010. The present status of these three subsidiary companies is given as under:-

S.No.	Name of Subsidiary	Start of liquidation process	Present status
1.	IMM Winsome Italia S.r.l.	30.09.2008	Liquidation process is going on.
2.	S.C. Winsome Romania S.r.l.	26.11.2008	Liquidation process is going on.
3.	S.C. Textil S.r.l.	09.02.2010	Liquidation process is going on.

However, as soon as the accounts of subsidiary companies, for which exemption has been granted by Govt. of India, received by the Company, the same shall be circulated to the shareholders of Winsome Yarns Limited.

Sub-division of equity shares of the company

During the year the face value of equity shares of the company has been sub-divided from Rs. 10/- each to Re. 1/- each w.e.f. 23.01.2010.

Preferential Allotment of Convertible Warrants:

During the year, as approved by shareholders in their meeting held on 5th February, 2010, the Board of Directors have allotted 25,10,00,000 convertible warrants to promoter and strategic investors at the rate of Re. 1.60 per warrant convertible into one equity share of Re. 1/- each.

IS/ISO 9002/ 14001

Your directors are pleased to inform you that your company continue to be the holder of IS/ISO 9002/ 14001 certificates.

Dividend

Your Directors are unable to recommend any dividend on Equity Shares for the year under review.

Directors

In accordance with the Company's Articles of Association, Shri Satish Bagrodia and Shri Brij Mohan Khanna, Directors retire by rotation and being eligible, offer themselves for re-appointment.

During the year on 30th July, 2009, Shri G.K. Sawhney had been appointed by Punjab National Bank as Nominee Director of the Company, who was entitled to nominate one Director on the Board of the Company pursuant to LOA dated 28.03.2010 in respect of restructuring of Company's debts under CDR mechanism.

Consolidated Accounts

In accordance with Accounting Standards AS-21 on Consolidated Financial Statements, your directors provide the Audited Consolidated Financial Statement in the Annual Report.

Insurance

All the properties of your Company have been adequately insured against fire, flood, earthquake and explosive risks.

Public Deposit

The Company did not accept any Fixed Deposit during the year.

Directors' Responsibility Statement

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed :

- that in the preparation of the annual accounts for the financial year ended 31st March, 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- that the accounting policies are applied consistently and reasonable prudent judgment and estimates are made so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year under review;

- iii. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. that the directors have prepared the accounts for the financial year ended 31st March, 2010 on a going concern basis.

Audit

M/s. Lodha & Co., Chartered Accountants, who are Statutory Auditors of the Company and hold office up to the forthcoming Annual General Meeting and are recommended for re-appointment to audit the accounts of the Company for the Financial Year 2010-11. As required under the provisions of the Section 224(1B) of the Companies Act, 1956, the Company has obtained written confirmation from M/s. Lodha & Co. that their appointment if made would be in conformity with the limits specified in the Section.

As per the requirement of Central Government and pursuant to Section 233B of the Companies Act, 1956 your Company carries out an audit of cost records every year.

Conservation of Energy, Technology Absorption and Foreign Exchange earning and outgo.

Information in accordance with the provisions of section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the ANNEXURE 'A' forming part of this report.

Particulars of the Employees

The Particulars of the employees as required by the provisions of section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975 as amended, is annexed to this report.

Auditors' Report

Auditor's observations regarding non provision for shortfall in recovery (amount unascertained) against overdue debt and non provision for diminution in the value of investment in a subsidiary company and remuneration paid to the managing director have been explained in detail in Note No. 16, 10B and 8 of Schedule 15(B) on Accounting Policies and Notes on Accounts, respectively.

Corporate Governance

During the financial year, the company has continued its commitment to the principles of good Corporate Governance. The company believes that best board practices and transparent disclosures are necessary for enhancing shareholders value.

A report on Corporate Governance, alongwith a Certificate of compliance from the Auditors of the Company is attached as ANNEXURE 'B' to this report.

Acknowledgement

Your Directors place on record their deep appreciation of the devoted and sincere services rendered by the officers, staff and workers who have contributed significantly for its performance and for enhancing the Company's inherent strength. Your Directors are also grateful for the cooperation and assistance received from financial institutions, banks and customers, during the year under review.

By order of the Board

Place : Chandigarh
Dated : 24.08.2010

Satish Bagrodia
Chairman

INFORMATION AS PER SECTION 217(1)(e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF DIRECTORS) RULES 1988 AND FORMING PART OF THE DIRECTORS REPORT FOR THE PERIOD ENDED 31ST MARCH, 2010

I. CONSERVATION OF ENERGY

a) Energy conservation measures taken :

The Company has been giving high priority to conservation of energy by close monitoring of energy consuming equipments. All efforts are made for installing energy saving devices wherever required. The company has continued with the following projects during the year.

Sr. No.	Project Undertaken	Units saved	Annual Saving (in Rs.)
1	To reduce the Power Consumption in Worker Colony	36900.00	166419.00
2	To reduce the Power Consumption of Residential Block	3397.00	15320.47
3	To reduce Power Consumption in Roller motor of uniflok u1 & u2 project	5227.00	23573.77
4	To reduce Power Consumption in waste opener in u2 project	14723.00	66400.73
5	To reduce Power Consumption in exhaust fan-6 of erm no-6 in u2 & u3, project	12458.00	56185.58
6	To reduce Power Consumption in dust fan in u2 & u3 , project	80041.50	360987.17
7	To reduce the radial fan motor pully of comber in unit3 p1 & p2	94481.64	426112.20
8	To reduce the blade angle 15 degree of SAF & RAF of prep in unit3 ph1 & ph2	285837.09	1289125.28
9	To reduced the motor pully 10 MM (170 to 160 MM) of OHB of ring frame 18 no in unit-2	44431.20	200384.71
10	Modified in waste system and stop the waste fan motor of OHB A/C unit-2 (only03 M/C 238)	20124.72	90762.49
Total Saving		597621.15	2695271.40

b) Additional investments and proposals,if any,being implemented for reduction of consumption of energy.

Additional Investments, wherever required, are being made.

c) Impact of the measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

Though there is saving of about Rs. 26.95 lacs but overall energy cost has not reduced due to increase in diesel & furnace oil cost and increase in unit power cost of PSEB.

d) Total energy consumption and energy consumption per unit of production as per Form-A of the Annexure to the rules in respect of industries specified in the schedule thereto:

A) Power and Fuel consumption

1. Electricity

a) Purchased Unit (KW)

Total amount (Rs in lacs)

Rate/Unit (Rs)

b) Own Generation through

Diesel Generator Unit(KW)

Units/Ltr.of Diesel Oil

Cost/Unit(Rs/KW)

2. Coal(Specify quality and where used)

3. LSHS & Furnace Oil Qty.(MT)

Total amount (Rs.in lacs)

Average rate(Rs.per M.T.)

4. Gas (Qty. in MT)

Total amount (Rs.in lacs)

Average rate(Rs.per Kg)

B) Consumption per Unit of Production

Electricity (KW)

LSHS & Furnace Oil (Lts)

Gas (Kgs)

Current Year

Previous Year

52684332

37993734

2375.76

1603.94

4.51

4.22

6212411

277658

3.94

3.74

7.81

7.55

NIL

NIL

907.95

74.02

485.15

18.14

53434

24506

NIL

NIL

NIL

NIL

NIL

NIL

4.44

4.25

NIL

NIL

NIL

NIL

NIL

NIL

II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form-B of the Annexure to the Rules.

1) Research & Development (R&D)

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

Latest new technology has been adopted.

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

Producing International quality products.

c) Future plan of Action :

— This is an ongoing process and continuous improvements are being carried out in the Plant & Machinery maintenance and the quality of finished products.

d) Expenditure on R&D (Rs. in lacs)

Capital

Recurring

Total R&D expenditure as a percentage of total turnover =

NIL

Rs. 25.42 Lacs

0.11%

2) Technology absorption, adoption and innovation.

- a) Efforts, in brief, made towards technology absorption and innovation :
 - Equipments of latest technology have been installed without any foreign technical knowledge.
- 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 Productivity of the product.
- c) In case of imported technology (imported during the last 5 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 for new export market for products and services and export plans.
Exports (FOB Value) of the Company have increased from Rs. 8627.88 lacs in 2008-09 to Rs. 12123.52 lacs in 2009-10. New export markets have been developed and exports are likely to increase further.
- b) Total foreign exchange used and earned.

	(Rs. in lacs)
	Previous Year
Current Year	
Earning	12123.52
Outgo	1064.11
	8627.88
	7306.74

For and on behalf of the Board

Place : Chandigarh
Dated : 24.08.2010

Satish Bagrodia
Chairman

ANNEXURE TO THE DIRECTORS' REPORT

STATEMENT OF PARTICULARS OF EMPLOYEES, PURSUANT TO THE PROVISIONS OF THE SECTION 217 (2A) OF COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDING 31ST MARCH, 2010

Sr. No.	Name of Employee	Designation/ Nature of duties	Qualification	Total Working Experience (Years)	Date of Commencement of Employment	Total Remuneration (Rs. in lacs)	Age (Years)	Previous Employment held
A. Persons employed throughout the year, who were in receipt of remuneration not less than 2400000/-								
1	Shri Manish Bagrodia	Managing Director	M.Com., Advance Diploma in Computer Applications	23	19-07-1990	25.08	42	Winsome Textile Industries Limited

B. Persons employed for part of the year who was in receipt of remuneration for any part of the year at a rate which in aggregate was not less than Rs. 200000/- per month. — Nil

NOTES :

1. Remuneration as above includes Salary, House Rent Allowance or Housing Accommodation and reimbursement of Medical Expenses and other perks/ benefits provided by the Company.
2. Shri Manish Bagrodia, Managing Director is related to Shri Satish Bagrodia, Chairman and Shri Ashish Bagrodia, Director of the Company.

ADDENDUM TO THE DIRECTORS' REPORT

Pursuant to Section 217(3) of the Companies Act 1956 following explanations are given on remarks contained in the Auditors Report :

Auditor's observations regarding appointment and remuneration paid to the managing director amounting to Rs. 17.79 lacs, non provision for diminution in the value of investment in a subsidiary company (impact unascertainable) and non provision for shortfall in recovery (amount unascertained) against overdue debt aggregating to Rs. 1903.39 lacs have been explained in detail in Note No. 8, 10B and 16 of Schedule 15(B) on Accounting Policies and Notes on accounts. However, the explanations of the directors are further given as under:

1. Ministry of Corporate Affairs, Govt. of India vide its letter no. A81741050/2010-CL.VII dated 16.08.2010 has granted its approval under section 269 of the Companies Act, 1956 for re-appointment of Shri Manish Bagrodia as Managing Director of the Company for a period of five years with effect from 01.07.2009 to 30.06.2014. Further under provision of section 637A and section 637AA of the Companies Act, the Central Government in terms of Section 198(4) of the Companies Act approves that the remuneration payable to the aforesaid managerial personnel from the date of his appointment shall not exceed the following:
 - (a) Total Remuneration of Rs. 30,77,936/- for a period of 3 years w.e.f. 01.07.2009 to 30.06.2012.
2. Diminution in the value of investment made amounting to Rs. 1516.71 lacs in subsidiary has not been considered necessary by the company in view of strategic and long term in nature and considering the intrinsic value of the assets of the subsidiary company.
3. The company has initiated persuasive action for recovery of certain overdue overseas debtors of amounting to Rs. 1903.39 lacs (P.Y. Rs. 2028.29 lacs). In the opinion of the management these are good and fully realizable hence no provision there against is considered necessary. However for necessary approval for the extension of time, application have been filed with the appropriate authority.

CORPORATE GOVERNANCE

1. Company's philosophy on code of Governance.

The company is committed to good Corporate Governance. The Company fully realises the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. The Company provides detailed information on various issues concerning the Company's business and financial performance, to its shareholders. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of all its stakeholders. The Company is committed to transparency in all its dealing and places emphasis on business ethics.

2. Board of Directors.

The Board of Directors presently consists of seven directors, out of which three are Promoter Directors (one Non Executive Chairman, one Executive Managing Director and one Non-Executive Director) and four are Non-Executive independent directors, out of which one is representing PSIDC (as Joint Sector representative) and one is representing Punjab National Bank(CDR Lead Banker). 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 Exchanges), across all the companies in which they are directors. The necessary disclosures regarding committee memberships have been made by the directors.

During the financial year 2009-10, seven board meetings were held. The meetings were held on 15th May, 2009, 15th June, 2009, 30th July, 2009, 29th October, 2009, 9th January, 2010, 30th January, 2010 and 19th February, 2010 and the maximum time gap between any two meetings was not more than four months.

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.

Name of the Director	Category	Attendance Particulars		No. of Directorship	No. of Membership/ Chairmanship in Committees		
		Board Meeting	Last AGM		Membership	Chairmanship	Total
Shri Satish Bagrodia	Chairman(NE)	7	Yes	3	—	—	—
Shri Chandra Mohan	INED	6	No	10	8	—	8
Shri Brij Khanna	INED	7	Yes	2	—	3	3
Shri S.K. Singla	INED(PSIDC)	6	No	14	2	—	2
Shri G.K. Sawhney	INED (PNB)	5	No	—	—	—	—
Shri Ashish Bagrodia	NED	6	Yes	7	2	—	2
Shri Manish Bagrodia	MD	7	Yes	8	1	—	1

INED : Independent Non Executive Director

NED : Non Executive Director

MD : Managing Director

NE : Non Executive

3. Code of Conduct

In terms of the 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. All the Board members and Senior Management Personnel have affirmed compliance with the Code.

4. Subsidiary Companies

According to the provisions of Section 212 of Companies Act, 1956, the holding company is required to attach the balance sheet etc. of its subsidiary companies along with its balance sheet. Due to Global recession of which European Countries are the worst affected, the second, third and fourth step down subsidiaries of the Company namely; S.C. Winsome Romania, S.r.l., IMM Winsome Italia S.r.l. and S.C. Textil, S.r.l. went in to liquidation and their balance sheet etc. is not available. The exemption from attaching the balance sheet etc. of these three subsidiary companies was sought, pursuant to Section 212(8) of Companies Act, 1956, which has since been granted by Ministry of Corporate Affairs, Govt. of India vide its letter no. 47/644/2010-CL-III dated 11.08.2010. The present status of these three subsidiary companies is given as under:-

S.No.	Name of Subsidiary	Start of liquidation process	Present status
1.	IMM Winsome Italia S.r.l.	30.09.2008	Liquidation process is going on.
2.	S.C. Winsome Romania S.r.l.	26.11.2008	Liquidation process is going on.
3.	S.C. Textil S.r.l.	09.02.2010	Liquidation process is going on.

However, as soon as the accounts of subsidiary companies, for which exemption has been granted by Govt. of India, received by the Company, the same shall be circulated to the shareholders of Winsome Yarns Limited.