

WINSOME YARNS LIMITED

Regd.Office: SCO # 191-192, Sector 34-A, Chandigarh - 160022

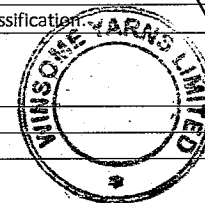
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AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED ON 31ST MARCH 2021

PART-I		Rs.in Lakhs									
Sr. No.	Particulars	Standalone				Consolidated					
		Audited	Unaudited	Audited	Audited	Audited	Unaudited	Audited	Audited	Audited	
		Quarter Ended			Year Ended		Quarter Ended			Year Ended	
		31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Revenue										
1	Income from operations	1,013	1,211	1934	3571	10,686	1,013	1211	1934	3571	10686
2	Other Income	3	4	53	17	119	3	4	53	17	119
3	Total Revenue(1+2)	1,016	1,215	1,987	3588	10,805	1,016	1,215	1,987	3588	10,805
4	Expenses										
	(a) Cost of Material consumed	64	106	259	504	4208	64	106	259	504	4208
	(b) Purchase of stock-in-trade	-	-	285	0	285	-	-	285	0	285
	(c) Excise Duty	-	-	-	0	-	-	-	-	0	-
	(d) Changes in Inventories of finished goods, Work in progress & stock in trade	(77)	292	615	87	1,268	(77)	292	615	87	1268
	(e) Employee Benefit expense	527	483	553	1780	2,594	527	483	553	1780	2594
	(f) Finance cost	0	6	2	6	6	0	6	2	6	6
	(g) Depreciation & Amortisation expenses	375	372	381	1493	1,525	375	372	381	1493	1525
	(h) Other expenses	618	554	1002	1839	4,327	618	555	1003	1839	4333
	Total Expenses	1,507	1,813	3,097	5709	14,213	1,507	1,814	3,098	5,709	14,219
5	Profit/(Loss) from Operations before Exceptional Items and tax.(3-4)	(491)	(598)	(1,110)	(2,121)	(3,408)	(491)	(599)	(1,111)	(2,121)	(3,414)
6	Exceptional Items	-	-	-	-	(1,414)	-	-	-	-	(1,414)
7	Profit/(Loss) before Tax (5+6)	(491)	(598)	(1,110)	(2,121)	(4,822)	(491)	(599)	(1,111)	(2,121)	(4,828)
8	Tax Expense										
	- Current Tax	-	-	-	-	-	-	-	-	-	-
	- Earlier years Tax	-	-	-	-	-	-	-	-	-	-
	- Deferred Tax Liability/(Asset)	-	-	44	-	44	-	-	44	-	44
9	Profit/(Loss) after tax (7-8)	(491)	(598)	(1,154)	(2,121)	(4,866)	(491)	(599)	(1,155)	(2,121)	(4,872)
10	Other Comprehensive income	-	-	65	-	65	0	-	65	-	65
11	Total Comprehensive income(9+10)	(491)	(598)	(1,089)	(2,121)	(4,801)	(491)	(599)	(1,090)	(2,121)	(4,807)
12	Paid - up Equity Capital (Face Value – Rs. 10/- each)	7,071	7,071	7,071	7,071	7,071	7,071	7,071	7,071	7,071	7,071
13	Reserve excluding revaluation reserve as per Balance Sheet of Previous accounting year				(43,929)	(41,807)				(43,919)	(41,798)
14	Earnings Per Share of Rs 10/- each (Not Annualised) - Basic & Diluted (Rs.)	(0.69)	(0.85)	(1.54)	(3.00)	(6.79)	(0.69)	(0.85)	(1.54)	(3.00)	(6.80)



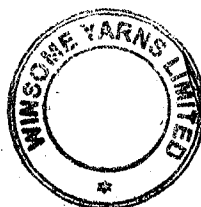
Notes:	
1	The above unaudited financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on June 29, 2021.
2	The Statutory Auditors of the Company have carried out the audit of the aforesaid financial results for the quarter and year ended on March 31, 2021 in accordance with Regulation 33 of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015,
3	In line with the provisions of Ind AS-108 'Operating Segments' as notified under the Companies (Ind AS) Rules, 2015, and as provided in section 133 of the Companies Act, 2013, the operations of the Company fall under one line of business activity namely, Textiles (Yarn, Knitwear & related revenue), which is considered to be the only reportable segment by the management.
4	COVID-19 pandemic has caused serious disruptions on the global economic and business environment and there is a huge uncertainty with respect to its severity, which cannot be reasonably ascertained. However, the Company has evaluated and factored the possible effects in its working to the extent possible, including likely impact that may result from the COVID-19 pandemic as well as all events and circumstances upto the date of approval of these financial results on the carrying value of its assets and liabilities as at 31st March 2021. In order to mitigate the uncertainty due to frequent lock-down of operations for reasons of observing a high level of health and safety, the Company has undertaken manufacturing operations on job work basis. The operations of the Company are running at substantially below optimal levels. The operations are expected to remain impacted until customer orders return to normal levels, and supply chain stabilises, and the availability of manpower is consistent. The impact of any event and developments occurring after the financial results for the quarter and year ended March 31, 2021 may differ from that estimated as at the date of approval of these financial results and will be recognised prospectively. COVID-19 pandemic has caused serious disruptions on the global economic and business environment and there is a huge uncertainty with respect to its severity, which cannot be reasonably ascertained. However, the Company has evaluated and factored the possible effects in its working to the extent possible, including likely impact that may result from the COVID-19 pandemic as well as all events and circumstances upto the date of approval of these financial results on the carrying value of its assets and liabilities as at 31st March 2021. In order to mitigate the uncertainty due to frequent lock-down of operations for reasons of observing a high level of health and safety, the Company has undertaken manufacturing operations on job work basis. The operations of the Company are running at substantially below optimal levels. The operations are expected to remain impacted until customer orders return to normal levels, and supply chain stabilises, and the availability of manpower is consistent. The impact of any event and developments occurring after the financial results for the quarter and year ended March 31, 2021 may differ from that estimated as at the date of approval of these financial results and will be recognised prospectively.
5	Auditors remarks on accounts for the quarter and year ended March 31, 2021: (1) Regarding preparation of accounts on going concern basis despite accumulated losses of the Company being substantially in excess of its net worth: Management Response: Consolidated response as part of Note No. 6 hereinbelow; (2) Regarding non-provision for interest and penalty on Borrowings and long outstanding receivable: Management response: The interest on borrowings of the Company to the extent not accounted in books of account of the Company will be considered on settlement / restructuring of borrowings and efforts are being made to recover the outstanding receivable, Provision will be made upon finalisation; (3) Regarding pending receipt of part money of GDR invested in money market instrument outside India, non accounting of the same at fair value and non-recognition of exchange fluctuation in respect thereto: Management response: Consolidated response as part of Note No. 7 hereinbelow; (4) Regarding provisions made in books of account in case of investments in subsidiaries, amounts to be written off/written back and adjustment/set off of payment of receivables/payable from/to overseas parties/suppliers, which are pending necessary approval of the competent authority: Management Response: The Company has filed upto date returns, and approvals for adjustments will be effected in due course; (6) Regarding pending confirmation/reconciliation of balances of certain receivables, bank balances, payables, secured loans, contingent and other liabilities, loans and advances - impact unascertainable): Management response: Confirmation and reconciliation of balances is carried out on an ongoing basis and adjustments, if any, arising therefrom are accounted from time to time.
6	Edelweiss Assets Reconstruction Company Limited (EARC), an Asset Reconstruction Company, has claimed that it is an assignee of debt payable by the Company to certain banks. In determination and recovery proceedings brought by Banks and EARC against the Company, the amount claimed was disputed by the Company and not acknowledged as its liability. The Company has also disputed the claim as being barred by limitation. Additionally, the Company has preferred a counter claim against the claimants for the losses caused by them to the Company. The Company initiated settlement discussions with certain banks, which were without prejudice to its rights, and the offer proposed by the Company was not accepted. The Financial Commissioner of the State of Punjab has since determined that the Agreements for Assignment of debt by lenders of the Company to EARC are insufficiently stamped, and therefore, defective. EARC had filed a Petition to initiate insolvency proceedings against the Company, which was dismissed by the Hon'ble NCLT vide its order dated 14th March 2020 upon an observation that the assignment deed is unenforceable. An appeal has been filed by EARC against this order. Indian Overseas Bank has initiated insolvency proceedings against the Company before NCLT which is being contested by the Company. The Company does not consider itself liable towards Claims against it, and accounting of Claims by and against the Company will be accounted on resolution thereof. The Management expects that cash flows of the Company in future will be sufficient to meet its admitted liabilities, and the accounts of the Company have therefore, been prepared on 'Going Concern' basis.
7	GDR issued earlier by the Company, listed on Luxemburg Stock Exchange, were delisted. USD 48,19,980 (Rs. 2568.41 Lakhs without exchange adjustment) is invested in money market instruments outside India to use the amount for earmarked purposes, i.e., setting up a Yarn Dying Plant. The Plant could not be implemented as requisite support was then not extended by the lenders. The final effect of exchange rate fluctuation will be accounted at the time when the amount is repatriated. The Company is filing an Appeal against the order of SEBI imposing penalty in relation to matters connected with issue of GDR.
8	The NSE and BSE had suspended trading of Equity shares of the Company due to delay in payment of certain amounts to the NSE and BSE. The delay occurred due to a technical glitch in the banking network wherefrom the payment was initiated by the Company. The Company has represented to the Stock Exchanges for review and revocation of their decision to suspend trading, and has also filed an appeal against the decision of the Stock Exchanges before SAT.
9	The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the current financial year.
10	The figures for the previous quarter and year have been regrouped / rearranged, wherever necessary, to confirm to the current period's classification.
Place:	Chandigarh
Date :	June 28, 2021.



(Signature)
Manish Bagrodia
 Chairman and Managing Director

Winsome Yarns Limited
SCO -191,192 Sector 34-A, Chandigarh -160022
Statement of Asset and Liabilities as on 31.03.2021

Particulars	(Rs. In Lakhs)			
	Standalone		Consolidated	
	Auidted		Auidted	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
ASSETS				
(1) Non- current assets				
(a) Property, plant and equipment	17,674	19,162	17,674	19,162
(b) Capital Work In Progress	0	-	-	-
(c) Other Intangibles Assets	17	22	17	22
(d) Financial assets	0	-	-	-
(e) Investments	0	-	-	-
(f) Loans	2	2	2	2
(g) Deferred tax assets (net)	0	-	-	-
(h) Other Non- Current assets	2,731	2,905	2,731	2,905
Sub Total - non current assets	20,423	22,091	20,423	22,091
(2) Current assets				
(a) Inventories	1,070	1,159	1,070	1,159
(b) Financial assets				
(i) Loans	38	38	38	38
(ii) Investment	2,568	2,568	2,568	2,568
(iii) Trade receivables	1,391	1,519	1,436	1,564
(iv) Cash and cash equivalents	152	186	158	192
(v) Other bank Balance	31	31	31	31
(vi) Other financial assets	0	-	-	-
(vii) Current Tax Assets	136	122	136	122
(viii) Other current assets	753	671	753	671
Sub Total - current assets	6,139	6,294	6,190	6,345
Total of assets (1+2)	26,562	28,385	26,614	28,436
B. EQUITY AND LIABILITIES				
1. Equity				
(a) Equity share capital	7,071	7,071	7,071	7,071
(b) Other equity	(43,929)	(41,808)	(43,918)	(41,798)
Sub total - Total equity	(36,858)	(34,737)	(36,847)	(34,727)
LIABILITIES				
2. Non- current liabilities				
(a) Deferred grant income	69	69	69	69
(b) Provisions	234	164	234	164
Sub total - Non current liabilities	303	233	303	233
(3) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	55,658	55,658	55,658	55,658
(ii) Trade Payables				
(a) Total outstanding dues of Micro and small enterprises	98	124	98	124
(b) Total outstanding dues of creditors other than Micro and small enterprises	3,282	3,483	3,291	3,492
(iii) Other financial liabilities	3,703	3,391	3,735	3,423
(iv) Deferred grant income	9	9	9	9
(v) Other current liabilities	346	203	346	203
(b) Provisions	21	21	21	21
Sub Total - current liabilities	63,117	62,889	63,158	62,930
(4) Total of liabilities (2+3)	63,420	63,122	63,461	63,163
Total of equity and liabilities (1+4)	26,562	28,385	26,614	28,436



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 STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON DECEMBER 31, 2020

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
A. CASH FLOW FROM OPERATIONS		
Loss before tax	(2,121.17)	(4,756.61)
Adjustment for:		
Depreciation	1,493.28	1,525.26
Amortisation of lease hold land	3.31	3.31
Prorata capital subsidy	-	(9.23)
(Profit)/Loss on sale of fixed assets	-	-
Interest expense	6.03	5.95
Interest income	(12.17)	(27.03)
Operating profit before working capital changes	(630.73)	(3,258.35)
Adjustment for working capital changes:		
Increase/(Decrease) in financial liabilities		
Trade payables	(226.69)	(697.23)
Revenue received in advance	-	(123.92)
Other payables	311.86	583.56
Increase/(Decrease) in other current liabilities	142.75	130.82
Increase/(Decrease) in provisions	70.60	(47.13)
(Increase)/Decrease in financial assets		
Trade and other receivables	127.58	216.47
Loans	0.06	(13.39)
Investment	-	-
Interest accrued but not due	-	-
Other loan	-	1,012.34
(Increase)/Decrease in other current assets	(81.35)	254.43
(Increase)/Decrease in other non current assets	171.27	251.76
(Increase)/Decrease in inventories	88.97	1,710.08
	(25.64)	19.44
Current tax liabilities (Net)	(14.55)	(12.06)
Net cash flow from operating activities (A)	(40.19)	7.38
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	-	(13.80)
Reductions to property, plant and equipment	-	-
Interest receipts	12.17	27.03
Net cash used in investing activities (B)	12.17	13.23
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(6.03)	(5.95)
Increase/(Decrease) in financial liabilities		
Proceeds from borrowings	-	(0.00)
Repayment of borrowings	-	-
Net cash used in financing activities (C)	(6.03)	(5.95)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT: (A+B+C)	(34.05)	14.66
Cash and cash equivalents - Opening balance	216.80	202.14
Cash and cash equivalents - Closing balance	182.75	216.80

(Figures in bracket represents cash outflow)

