

WINSOME YARNS LIMITED

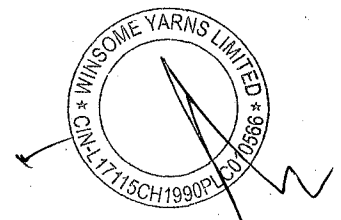
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AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED ON 31ST MARCH 2019

PART-I Sr. No.	Particulars	Standalone				Rs.in Lakhs		
		Audited	Unaudited	Audited	Consolidated			
		Quarter Ended		Year Ended		Year Ended		
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	Revenue							
1	Income from operations	4238	6473	8768	25025	33305	25025	33305
2	Other Income	67	7	107	204	182	204	182
3	Total Revenue(1+2)	4,305	6,480	8,875	25,229	33,487	25,229	33,487
4	Expenses							
	(a) Cost of Material consumed	2267	3949	6029	15085	21858	15085	21858
	(b) Purchase of stock-in-trade	0	-	-	22	-	22	-
	(c) Excise Duty	-	-	-	-	2	-	2
	(d) Changes in Inventories of finished goods, Work in progress & stock in trade	(41)	496	229	1,179	1,095	1,179	1,095
	(e) Employee Benefit expense	722	818	872	3354	3524	3354	3524
	(f) Finance cost	4	5	7	26	37	26	37
	(g) Depreciation & Amortisation expenses	401	399	427	1610	1707	1610	1707
	(h) Other expenses	1608	1349	2034	6439	7356	6445	7361
	Total Expenses	4,961	7,016	9,598	27,715	35,579	27,721	35,584
5	Profit/(Loss) from Operations before Exceptional Items and tax.(3-4)	(656)	(536)	(723)	(2,486)	(2,092)	(2,492)	(2,097)
6	Exceptional Items	10	-	-	(9,016)	297	(9,016)	297
7	Profit/(Loss) before Tax (5+6)	(646)	(536)	(723)	(11,502)	(1,795)	(11,508)	(1,800)
8	Tax Expense							
	- Current Tax	-	-	-	-	-	-	-
	- Earlier years Tax	-	-	-	-	-	-	-
	- Deferred Tax Liability/(Asset)	-	-	-	-	-	-	-
9	Profit/(Loss) after tax (7-8)	(646)	(536)	(723)	(11,502)	(1,795)	(11,508)	(1,800)
10	Other Comprehensive income	15	-	13	15	13	15	13
11	Total Comprehensive income(9+10)	(631)	(536)	(710)	(11,487)	(1,782)	(11,493)	(1,787)
12	Paid - up Equity Capital (Face Value – Rs. 10/- each)	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				(37,006)	(25,519)	(36,991)	(25,501)
14	Earnings Per Share of Rs 10/- each (Not Annualised) - Basic & Diluted (Rs.)	(0.89)	(0.76)	(1.00)	(16.25)	(2.52)	(16.25)	(2.53)

- Notes:**
- The above audited financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 27, 2019.
 - 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, 2019. In accordance with Regulation 33 of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015,
 - The Company has adopted Indian Accounting Standards ("Ind AS") from April 01, 2017 (transition date to Ind AS is April 01, 2016) and the audited financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015, as specified in section 133 of the Companies Act, 2013.
 - Effective April 01, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch up transition method which is applied to contracts that were not completed as of April 01, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect of adoption of Ind AS 115 was insignificant on the financial statements.
 - 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.
 - The Company has made provisions for doubtful debts of Rs.9016.05 Lakhs against long outstanding trade receivables including overseas overdue trade receivables of Rs.5989.20 Lakhs during the year ended March 31, 2019. The aforesaid provision for doubtful debts have been made based on continuous evaluation and assessment of recoverability of trade receivables by the Company, which is undertaken on regular basis.
 - Auditors remarks on accounts for the quarter and year ended March 31, 2019: (a) Regarding preparation of accounts on going concern basis despite accumulated losses of the Company being substantially in excess of its net worth: Management Response: Read with Note No. 8 hereinbelow; (b) Regarding no provision having been made against long outstanding loans and advances: Management response: The Management has taken up necessary steps for reconciliation and recovery, and the same is part of continuous evaluation and assessment of their recoverability, undertaken by the management of the Company on regular basis; (c) Regarding non-provision for interest and penalty on Borrowings: Management response: Read with Note No. 8 hereinbelow; (d) 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: Read with Note No. 9 hereinbelow; (e) 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 is in the process of obtaining necessary approvals from the competent authority/ies; (f) Regarding pending confirmation/reconciliation of balances of certain receivables (including overseas overdue receivables), bank balances, payables, secured loans, contingent and other liabilities, loans and advances - impact unascertainable): Management response: Steps for confirmation and reconciliation of amounts have since been initiated. The Management is of the opinion that adjustments, if any, arising out of aforesaid reconciliation would not be material, except in case of unprovided interest on borrowings and that appropriate impact thereof will be ascertainable on restructuring of borrowings of the Company, currently in discussions with lenders of the Company.



8	Due to continuous losses and resulting constraints of liquidity, the Company was not able to make payments, including towards installments of borrowings and interest thereon, both in respect of term loans and working capital as they fell due. Interest on term loans and working capital, including overdue amount, penal interest, etc. for the period October 2014 to March 31, 2019 (amount unascertained) has not been provided in books of account, and that the same will be provided / accounted for as and when the Company's debt restructuring plan is approved and given effect to by the respective lenders / assignee thereof. 6 (six) number banks have since assigned and transferred their debts due from the Company, alongwith the underlying rights, title and interests in financial assistances granted to the Company, to Edelweiss Assets Reconstruction Company Limited (EARC), an Asset Reconstruction Company. The Company is also in discussions with EARC for a structured payment plan of its restructured dues. Considering the ongoing discussion for restructuring of debts with major lenders of the Company and implementation of business plan of the Company for technical upgradation and expected cash flows resulting thereafter, stable government policies for the business, the Management of the Company expects that its cash flows in the near future will be sufficient to meet the resulting payment and repayment obligations, and the accounts of the Company are therefore, prepared on 'Going Concern' basis.
9	An amount of USD 48,62,110 (Rs. 2568.41 Lakhs) out of GDR's issued by the Company, being balance pending repatriation, has been invested in money market instruments outside India as the GDR proceeds are earmarked for utilisation for setting up a Yarn Dying Plant, which could not be implemented for want of support of lenders. The Management of the Company is engaged in firming an active plan for implementation of its proposal for setting up of a Yarn Dying Plant, and upon its finalisation, the aforesaid amount will be utilised for investment and on that date effect of any gain/loss shall be accounted in the books of account of the Company on account accrual and exchange fluctuation. The GDR's, which was earlier listed at the Luxembourg Stock Exchange, have since been delisted.
10	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.
11	The figures for the previous quarter and year have been regrouped / rearranged, wherever necessary, to confirm to the current period's classification.
	 Manish Bagrodia Chairman and Managing Director DIN No: 00046944
Place:	Chandigarh
Date:	27th May, 2019.

Winsome Yarns Limited
SCO -191,192 Sector 34-A, Chandigarh -160022
Audited Standalone Statement of Asset and Liabilities.

Particulars	Standalone		Consolidated	
	(Rs. In Lakhs)		(Rs. In Lakhs)	
	As at	As at	As at	As at
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
A. ASSETS				
(1) Non- current assets				
(a) Property, plant and equipment	20,669	22,239	20,669	22,239
(b) Capital Work In Progress	-	-	-	-
(c) Other Intangibles Assets	27	11	27	11
(d) Financial assets	-	-	-	-
(e) Investments	-	-	-	-
(f) Loans	2	2	2	2
(g) Deferred tax assets (net)	44	44	44	44
(h) Other Non- Current assets	3,161	2,566	3,161	2,566
Sub Total - non current assets	23,903	24,862	23,903	24,862
(2) Current assets				
(a) Inventories	2,869	4,238	2,869	4,238
(b) Financial assets				
(i) Loans	24	18	24	18
(ii) Investment	2,568	2,679	2,568	2,679
(iii) Trade receivables	1,735	12,185	1,778	12,225
(iv) Cash and cash equivalents	150	209	156	214
(v) Other bank Balance	31	32	31	32
(vi) Other financial assets	1,012	1,047	1,012	1,048
(vii) Current Tax Assets	110	100	110	100
(viii) Other current assets	925	1,067	925	1,067
Sub Total - current assets	9,424	21,575	9,473	21,621
Total of assets (1+2)	33,327	46,437	33,376	46,483
B. EQUITY AND LIABILITIES				
1. Equity				
(a) Equity share capital	7,071	7,071	7,071	7,071
(b) Other equity	(37,006)	(25,520)	(36,991)	(25,501)
Sub total - Total equity	(29,935)	(18,449)	(29,920)	(18,430)
LIABILITIES				
2. Non- current liabilities				
(a) Deferred grant income	78	88	78	88
(b) Provisions	202	192	202	192
Sub total - Non current liabilities	280	280	280	280
3. Current liabilities				
(a) Financial liabilities				
(i) Borrowings	55,636	55,729	55,636	55,729
(ii) Trade Payables				
(a) Total outstanding dues of Micro and small enterprises	95	91	95	91
(b) Total outstanding dues of creditors other than Micro and small Enterprises	4,209	5,555	4,217	5,563
(iii) Other financial liabilities	2,931	3,142	2,957	3,161
(iv) Deferred grant income	9	9	9	9
(v) Other current liabilities	72	57	72	57
(b) Provisions	30	23	30	23
Total of current liabilities (c)	62,982	64,606	63,016	64,633
Total of liabilities (d = b+c)	63,262	64,886	63,296	64,913
Total of equity and liabilities (a+d)	33,327	46,437	33,376	46,483

