

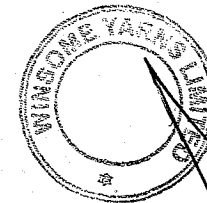
WINSOME YARNS LIMITED

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

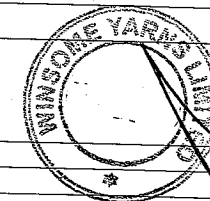
CIN : L17115CH1990PLC010566, Email – cshare@winsomegroup.com, Website – www.winsomegroup.com Phone No.91-172-4613000, Fax No.91-172-4614000

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED ON 31ST DECEMBER 2020

| PART-I | | Rs.in Lakhs | | | | | | | | | | | |
|---------|--|---------------|--------------|-------------------|----------------|----------------|----------------|--------------|-------------------|----------------|----------------|----------------|----------------|
| Sr. No. | Particulars | Standalone | | | | | | Consolidated | | | | | |
| | | Unaudited | | | Audited | | | Unaudited | | | Audited | | |
| | | Quarter Ended | | Nine Months ended | Year Ended | | Quarter Ended | | Nine Months ended | Year Ended | | | |
| | | 31.12.2020 | 30.09.2020 | 31.12.0019 | 31.12.2020 | 31.12.2019 | 31.03.2020 | 31.12.2020 | 30.09.2020 | 31.12.0019 | 31.12.2020 | 31.12.2019 | 31.03.2020 |
| | Revenue | | | | | | | | | | | | |
| 1 | Income from operations | 1,211 | 747 | 2078 | 2558 | 8752 | 10,686 | 1,211 | 747 | 2078 | 2558 | 8752 | 10686 |
| 2 | Other Income | 4 | - | 11 | 14 | 66 | 119 | 4 | - | 11 | 14 | 66 | 119 |
| 3 | Total Revenue(1+2) | 1,215 | 747 | 2,089 | 2572 | 8818 | 10,805 | 1,215 | 747 | 2,089 | 2572 | 8818 | 10,805 |
| 4 | Expenses | | | | | | | | | | | | |
| | (a) Cost of Material consumed | 106 | 291 | 580 | 440 | 3949 | 4208 | 106 | 291 | 580 | 440 | 3949 | 4208 |
| | (b) Purchase of stock-in-trade | - | - | - | - | - | 285 | - | - | - | - | - | 285 |
| | (c) Excise Duty | - | - | - | - | - | - | - | - | - | - | - | - |
| | (d) Changes in Inventories of finished goods, Work in progress & stock in trade | 292 | (35) | 411 | 164 | 653 | 1,268 | 292 | (35) | 411 | 164 | 653 | 1268 |
| | (e) Employee Benefit expense | 483 | 423 | 590 | 1253 | 2041 | 2,594 | 483 | 423 | 590 | 1253 | 2041 | 2594 |
| | (f) Finance cost | 6 | - | 1 | 6 | 4 | 6 | 6 | - | 1 | 6 | 4 | 6 |
| | (g) Depreciation & Amortisation expenses | 372 | 372 | 380 | 1118 | 1144 | 1,525 | 372 | 372 | 381 | 1118 | 1144 | 1525 |
| | (h) Other expenses | 554 | 305 | 834 | 1221 | 3325 | 4,327 | 555 | 306 | 836 | 1225 | 3330 | 4333 |
| | Total Expenses | 1,813 | 1,356 | 2,797 | 4202 | 11116 | 14,213 | 1,814 | 1,357 | 2,799 | 4,206 | 11,121 | 14,219 |
| 5 | Profit/(Loss) from Operations before Exceptional Items and tax.(3-4) | (598) | (609) | (708) | (1,630) | (2,298) | (3,408) | (599) | (610) | (710) | (1,634) | (2,303) | (3,414) |
| 6 | Exceptional Items | - | - | (1,414) | - | (1,414) | (1,414) | - | - | (1,414) | - | (1,414) | (1,414) |
| 7 | Profit/(Loss) before Tax (5+6) | (598) | (609) | (2,122) | (1,630) | (3,712) | (4,822) | (599) | (610) | (2,124) | (1,634) | (3,717) | (4,828) |
| 8 | Tax Expense | | | | | | | | | | | | |
| | - Current Tax | - | - | - | - | - | - | - | - | - | - | - | - |
| | - Earlier years Tax | - | - | - | - | - | - | - | - | - | - | - | - |
| | - Deferred Tax Liability/(Asset) | - | - | - | - | - | 44 | - | - | - | - | - | 44 |
| 9 | Profit/(Loss) after tax (7-8) | (598) | (609) | (2,122) | (1,630) | (3,712) | (4,866) | (599) | (610) | (2,124) | (1,634) | (3,717) | (4,872) |
| 10 | Other Comprehensive income | - | - | - | - | - | 65 | - | - | - | - | - | 65 |
| 11 | Total Comprehensive income(9+10) | (598) | (609) | (2,122) | (1,630) | (3,712) | (4,801) | (599) | (610) | (2,124) | (1,634) | (3,717) | (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 | 7,071 | 7,071 |
| 13 | Reserve excluding revaluation reserve as per Balance Sheet of Previous accounting year | | | | | | (41,807) | | | | | | (41,798) |
| 14 | Earnings Per Share of Rs 10/- each (Not Annualised) - Basic & Diluted (Rs.) | (0.85) | (0.86) | (3.00) | (2.30) | (5.25) | (6.79) | (0.85) | (0.86) | (3.00) | (2.31) | (5.26) | (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 February 11, 2021. |
| 2 | The Statutory Auditors of the Company have carried out the unaudit of the aforesaid financial results for the quarter and nine months ended on December 31, 2020 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 December 2020. 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 nine month ended December 31, 2020 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 nine months ended December 31, 2020: (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: Consolidated response as part of Note No. 6 hereinbelow; (b) Regarding non-provision for interest and penalty on Borrowings: Management response: Consolidated response as part of Note No. 6 hereinbelow; (c) 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; (d) 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; (e) 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. 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. |
| 6 | Edelweiss Assets Reconstruction Company Limited (EARC), an Asset Reconstruction Company, is an assignee of debt payable by the Company to certain banks. The Company had been in discussions with EARC for restructuring of debts. The restructuring offer of the Company to EARC is for an amount lower than the amount accounted in its books of account, and the Company without accounting any further liability for payment on this account, will give effect to adjustments arising thereto on execution of agreement for restructuring. The Management expects that its cash flows of the Company in the near future will be sufficient to meet the resulting payment and repayment obligations as may arise as a result of restructuring agreement, and the accounts of the Company have therefore, been prepared on 'Going Concern' basis. 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 been dismissed by the Hon'ble NCLT vide its order dated 17th March 2020. 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. |
| 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 not extended by the lenders. The final effect of exchange rate fluctuation will be accounted at the time when the amount is repatriated. |
| 8 | The NSE and BSE had suspended trading of the 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. |



Manish Bagrodia
Chairman and Managing Director

Place: Chandigarh
Date: Feb 11, 2021.