

To
The Board of Directors,
Winsome Yarns Limited,
SCO 191-192, Sector 34-A
Chandigarh - 160022.

Subject: Limited Review Report : Quarter Ended 31st December 2009

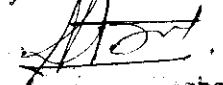
1. We have reviewed the accompanying statement of unaudited financial results of Winsome yarns Limited for the quarter-ended 31st December 2009. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3.
 - A Attention is invited to:
 - a. Public Shareholding and inventory which are as certified by the management.
 - B Further attention is invited to:
 - a. Provision for depreciation has been made on certain Plant & Machinery as per the rates applicable to continuous process plant based on the technical evaluation which has been relied upon by us since it is a technical matter (Impact unascertained).



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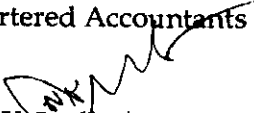
Kolkata Mumbai New Delhi Chennai Hyderabad Jaipur

For Winsome Yarns Ltd.


(DGM (Legal))
DGM (Legal) Company Secretary

- b. Non provision against (amount unascertainable) long overdue debts aggregating Rs.1862.85 lacs for which legal and other persuasive actions for recovery has been initiated; as in the opinion of management these debts are good and recoverable and our inability to comment thereon. [note no.2 (b) of accompanying financial results].
 - c. Non provision for diminution in the value of investment in subsidiary. (impact unascertainable) [note no. 2 (c) of accompanying financial results and note no. 20 of audited accounts of the year ended 31.03.2009.
 - d. Remuneration paid to a managing director amounting to Rs. 22.50 lacs is subject to the approval of the Central Government.
 - e. Non provision of Tax expenses as stated in note no. 8 of accompanying financial results.
 - f. Pending confirmation / reconciliation of balances of certain debtors, loan & advances, other liabilities, creditors (including associate company), and certain bank accounts (impact unascertainable).
4. Based on our review conducted and subject to paragraph 3(B) above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For LODHA & CO.
Chartered Accountants

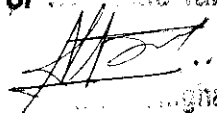

(N. K. Lodha)
Partner
Membership No. 85155

Place : New Delhi
Dated : 30 JAN 2010



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For **W. S. Yarns Ltd.**


(DGM)
DGM (Legal Company Secretary)