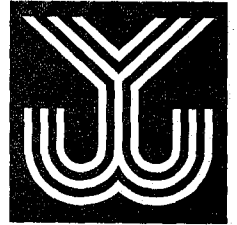


WYL/SECT/
09.02.2018

winsome
Yarns Limited

Regd. Office : SCO # 191-192, Sector 34-A,
Chandigarh - 160 022 INDIA
CIN : LI7115CH1990PLC010566
Phones : +91-172-2603966, 4612000, 4613000
Fax : +91-172-4614000
e-mail : exports@winsomegroup.com
Script Code : WINSOME



BSE Limited
Dept. of Corporate Service
1st Floor, New Trading Ring
Rotunda Building, P. J. Towers
Dalal Street, Fort, **MUMBAI-400001**

National Stock Exchange of India Ltd
Listing Department
"Exchange Plaza" Bandra-Kurla Complex
Bandra (E), **MUMBAI – 400051**

Script Code : WINSOME

Sub : Outcome of Board Meeting (Unaudited Financial Results # Qtr- Dec, 2017)

Dear Sir/Madam,

Pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), please find enclosed herewith Unaudited Financial Results of the Company for the Quarter ended 31st December, 2017, duly approved by the Board of Directors of the Company, at its meeting held on 09.02.2018.

Also enclosed a copy of the Limited Review Report of the Auditors of the Company, as required under Regulation 33 of the Listing Regulations.

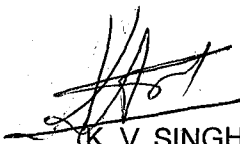
The meeting of the Board of Directors of the Company commenced at 11.30 A.M. and concluded at 2.35 P.M.

This is for your information and records please.

Thanking you,

Yours faithfully,
For WINSOME YARNS LIMITED




(K. V. SINGHAL)
GM (Legal) & Company Secretary
Mobile No. 9914030030
Email : kvsinghal@winsomegroup.com, cshare@winsomegroup.com

Encl : as above.



Works : Village Kurawala, Barwala Road, Derabassi-140507, Distt. Mohali (Pb.) Phones : 01762-280236, 280936, 280638 Fax: 01762-280237
Ludhiana : Office No. 3, MD Complex, Near Samrala Chowk, Ludhiana - 141008 , e-mail: ludhiana@winsomegroup.com
Delhi : #3, Ground Floor, Rajendra Bhawan, Rajendra Palace, New Delhi - 110 008, e-mail: delhi@winsomegroup.com
Tirupur : D. No. 3(1)/ 4A, Mullai Nagar, Karumarampalayam, Mannarai, Tirupur - 641607, e-mail : tirupur@winsomegroup.com

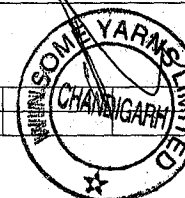
WINSOME YARNS LIMITED

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 STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED ON 31ST DECEMBER 2017

PART-I Sr. No.	Particulars	Rs.in lacs				
		Unaudited Quarter Ended			Unaudited Nine Months Ended	
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016
	Revenue					
1	Income from operations	8,270	7413	7493	24537	26660
2	Other Income	9	55	16	75	100
3	Total Revenue(1+2)	8,279	7,468	7,509	24,612	26,760
4	Expenses					
	(a) Cost of Material consumed	5,303	4428	5605	15829	18839
	(b) Purchase of stock-in-trade	0	-	29	0	34
	(c) Excise Duty	-	0	4	2	12
	(d) Changes in Inventories of finished goods, Work in progress & stock in trade	(68)	1,041	(344)	866	(1,523)
	(e) Employee Benefit expense	860	923	821	2652	2423
	(f) Finance cost	7	14	10	30	31
	(g) Depreciation & Amortisation expenses	426	427	439	1280	1315
	(h) Other expenses	1,717	1614	2227	5322	7610
	Total Expenses	8,245	8,447	8,791	25,981	28,741
5	Profit/(Loss) from Operations before Exceptional Items(3-4)	34	(979)	(1,282)	(1,369)	(1,981)
6	Exceptional Items	-	-	-	297	-
7	Profit/(Loss) before Tax (5-6)	34	(979)	(1,282)	(1,072)	(1,981)
8	Tax Expense					
	- Current Tax	-	-	-	-	-
	- Earlier years Tax	-	-	-	-	-
	- Deferred Tax Liability/(Asset)	-	-	-	-	-
9	Profit/(Loss) after tax (7-8)	34	(979)	(1,282)	(1,072)	(1,981)
10	Other Comprehensive income	-	-	-	-	-
11	Total Comprehensive income(9+10)	34	(979)	(1,282)	(1,072)	(1,981)
12	Paid - up Equity Capital (Face Value – Rs. 10/- each)	7,071	7,071	7,071	7,071	7,071
13	Earnings Per Share of Rs 10/- each (Not Annualised) - Basic & Diluted (Rs.)	0.05	(1.38)	(1.81)	(1.52)	(2.80)
Notes:						
1	The above unaudited standalone financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on February 09, 2018, and the Statutory Auditors have issued their Limited Review Report on the same.					
2	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 only in one line of business namely Textiles (Yarn, Knitwear & related revenue).					
3	The Company has adopted Ind AS from April 1, 2017, as notified under the Companies (Ind AS) Rules, 2015, and pursuant to section 133 of the Companies Act, 2013, The financial statements presented in the accompanying unaudited standalone financial results and other information have been prepared in accordance with recognition and measurement of principals laid down in Ind AS and discloses information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular no. CIR/CFD/FAC/62/2016 dated July 05, 2016.					
4	The date of transition to Ind AS is April 1, 2016. The impact of transition has been accounted for in opening reserves and comparative results have been restated accordingly.					
5	The financial results do not include IND AS Compliant Results for the previous year ended March 31, 2017 as same is not mandatory in accordance with the SEBI circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016.					
6	Auditors remarks on accounts for the nine months ended December 31, 2017: (a) Regarding Non provision against certain overdue receivables and loans and advances: Management response: The Management is carrying out necessary steps for reconciliation and recovery; (b) Regarding non-provision for interest and penalty on Long term Borrowings: Management response: Read with Note No. 8 below; (c) Regarding pending confirmation/reconciliation of balances of certain receivables (including overseas overdue receivables), bank balances, payables (including associate company), 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; (d) Regarding pending receipt of part money of GDR: Management response: Read with Note No. 8 below.					
7	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 December 2017 (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. Six 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.					
8	Part amount of USD 50,72,110 (Rs. 2679.34 Lakhs) out of GDR's issued by the Company 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. The GDR's, which was earlier listed at the Luxembourg Stock Exchange, have since been delisted.					
9	Reconciliation of net profit after tax as previously reported under Indian GAAP and as restated now under Ind AS for the period ended December 31, 2016:					
	Particulars				Unaudited 3 months ended 31.12.2016	Unaudited 9 months ended 31.12.2016
	Net profit/ (Loss) for the period under the previous Indian GAAP				(1282)	(1981)
	Adjustment for prior period adjustments				0	(12)
	Net profit/ (Loss) for the period under Ind AS				(1282)	(1969)
10	The figures for the previous quarter and nine months have been regrouped / rearranged, wherever necessary, to conform to the current period's classification.					
Place:	Chandigarh					
Date :	09 th Feb, 2018.					


 Manish Bagrodia
 Managing Director
 DIN No.00046944

KR& CO.
Chartered Accountants

**Limited Review Report on quarterly Unaudited Financial Results (Standalone) of the
Company pursuant to the regulation 33 of the SEBI (Listing Obligations and Disclosure
Requirements) Regulations, 2015**

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

LIMITED REVIEW REPORT

1. We have reviewed the accompanying statement of unaudited Standalone Financial Results of Winsome Yarns Limited ("the Company") having its registered office at SCO 191-192, Sector, 34-A Chandigarh 160022 for the quarter and nine months ended on December 31, 2017. This Statement is the responsibility of the Company's management and had been approved by the Board Directors of the Company at its meeting held on February 09, 2018. Our responsibility is to issue a report on these standalone financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Financial information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountant 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(s). A review is limited primarily to inquiries of the Company's 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. **Basis for Qualified Opinion**
 - i. **In view of accumulated losses of the Company as at the end of the quarter and nine months ended on December 31, 2017 under review and Net worth of the Company as at that date being negative, the decision of management of the Company to prepare the accounts of the Company on going concern basis for reasons that, (a) proposed rehabilitation plan of the Company is under discussions with majority of lenders, and (b) future business plans of the Company and expected cash flows therefrom will suffice to service restructured debts of the Company, there would arise a need to**

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adjust the realizable value of assets and liabilities in the event of failure of assumptions as to going concern, and in the absence of impact of aforesaid assumptions having been un-ascertained, we are unable to comment thereon.

- ii. The results for the quarter and nine months ended on December 31, 2017 are understated due to non-provisioning of:
 - a) Interest expenses of Rs.2470.72 Lakhs for the quarter ended and Rs. 7147.10 Lakhs for the nine months ended December 31, 2017 (Rs. 2,150.59 Lakhs for the quarter ended and Rs. 6,206.73 Lakhs for the nine months ended on December 31, 2016), and further amount towards penal interest, penalty, etc. as may be charged by the lenders. (In the absence of statement of account, the above amount has been arrived at as per estimates of the Company, and the aggregate unprovided amount in books of account of the Company is not ascertainable with accuracy).
 - b) Long outstanding receivables of Rs. 9794.95 Lakhs (Rs.9141.47 Lakhs as at December 31, 2016) and loans and advances (including other current assets) of Rs 1469.05 Lakhs (Rs. 1301.41 Lakhs at December 31, 2016).
- iii. Part amount of USD 50,72,110 (Rs. 2679.34 Lakhs) out of GDR's issued by the Company, which funds had been raised for setting up of Yarn Dying Plant are invested in money market instruments outside India. As the funds were raised for earmarked purposes, the availability thereof to the Company and utilization of the same is subject to Company's undertaking active plans for implementation of the proposed investment. The balance above is as per rate of exchange prevailing at the time of investment, and is subject to adjustment in rate of foreign exchange and accruals on money market investments.
- iv. The Internal Control Systems need to be further strengthened in order that they are commensurate with the size of the Company and the nature of its business, more particularly in areas of, purchases and consumption of materials, charging of expenses, set-off of balances, and invoicing of sale of goods and services.
- v. Confirmation of balances and reconciliation thereof with respective parties are pending, which include balances pertaining to, accounts receivable and payable (including Associate Company/ies), bank balances, secured loans, other liabilities, loans and advances recoverable, and contingent liabilities. All balances have been certified by the management of the Company. In the absence of the Company having aforementioned details, the impact thereof is unascertainable, and therefore, not being commented. Further strengthening of internal controls by the Company will provide greater reliability.

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4. Based on our review conducted as above except for the effect of our observations stated in Para 3 (Basis for Qualified Opinion) nothing has come to our attention that causes us to believe that financial results have not been prepared in accordance with recognition and measurement principles laid down in the applicable accounting standards i.e., IND-AS prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention that the financial statement of the Company for the year ended March 31, 2017 prepared in accordance with Companies (Accounting Standards) Rules, 2006 and were audited by another firm of Chartered Accountants under the Companies Act, 2013, who vide their Report dated May 30, 2017 expressed a modified opinion on those financial statements. The aforementioned other Firm of Chartered Accountants completed their term of appointment and were not eligible for reappointment as Auditor of the Company for the year ending March 31, 2018.

For KR& Co.

ICAI Firm Registration No. 025217N

Chartered Accountants

Kamal Ahluwalia
Kamal Ahluwalia


Place: New Delhi (Camp at Chandigarh)

Date: February 09, 2018

Membership No. 093812