

KHANDELWAL JAIN & CO.

CHARTERED ACCOUNTANTS

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LIMITED REVIEW REPORT

To
The Board of Directors
LML Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of M/s LML Limited (the Company) for the quarter and nine months ended 31st December, 2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its meeting held on 11th February, 2017. 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) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" 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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We report that:
 - a) *Balances of some of the trade receivable/ payable, lenders and loans and advances are subject to confirmation/ reconciliation and subsequent adjustments, if any. As such, we are unable to express any opinion as to the effect thereof on the accounts for the quarter under review.*
 - b) *The Company has valued the inventories except finished goods at cost instead of at cost or realizable value, whichever is lower which is not in compliance with the Accounting Standard 2 – Valuation of Inventories prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. As explained to us the process of possible utilization of slow / non-moving items of inventory will be undertaken upon - finalization of the product plan and on its business restructuring. Since the realizable value as on 31st December, 2016 has not been determined, we are unable to express any opinion as to the effect thereof on the accounts for the quarter under review.*



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- c) *The accounts has been prepared on a going concern basis by the Company, however net worth of the Company has been eroded and its current liabilities exceed its current assets as on 31st December 2016. These factors raise doubts that the Company will not be able to continue as a going concern. The Company is in the process of restructuring of its business which, inter alia, will include the product plan. The Company's ability to continue, as a going concern is dependent upon successful restructuring of its business. In case the going concern concept is vitiated, necessary adjustments will be required on the carrying amount of Assets and Liabilities which are not ascertainable.*
- d) *Non compliance of requirements under Micro, Small and Medium Enterprises Development Act, 2006, in the absence of information available with the Company. As such, we are unable to express any opinion as to the effect thereof on the accounts for the quarter under review.*
4. Based on our review conducted as above and *subject to the matter stated in paragraph 3 above, the consequential cumulative impact thereof on the financial results is not ascertainable*, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with the applicable accounting standard and other recognized accounting practices and policies 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.

For **KHANDELWAL JAIN & CO.**
Chartered Accountants
Firm Registration No. 105049W


(Manish Kumar Singhal)
Partner
M. No. 502570



Place: Gurgaon
Dated: 11th February, 2017