



LML Limited
82, Ground Floor,
Sector 44,
Gurgaon - 122003, India
Tel. : 91-124-4500500
Fax : 91-124-4500501

LML: SH: SE

24.05.2013

The General Manager
The UP Stock Exchange Assocn. Ltd
Padam Towers, 14/113, Civil Lines,
KANPUR - 208 001

The Manager – Listing
The BSE Limited
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI – 400 001

The Manager, Capital Market (Listing)
National Stock Exchange of India Ltd
Exchange Plaza, Bandra-Kurla Complex,
Bandra (E),
MUMBAI – 400 051

Dear Sirs,

Sub: Audited Financial Results for the Quarter & Year Ended on 31.03.2013
Notice of AGM & Book Closure etc. (Scrip Code :- UPSE- L00004, BSE- 500255 & NSE-LML)

Pursuant to the requirement of the Listing Agreement, we are giving hereunder the details of decisions, taken by the Board of Directors of the Company at its meeting held on 24th May, 2013 :-

1. Clause 20

(a) Audited Results for Year Ended 31st March, 2013

		(Rs. / Crores)	
S.No.	Particulars	F.Y. 2012-13 Ended on 31.03.2013	F.Y. 2011-12 Ended on 31.03.2012
1	Gross Turnover	248.13	311.16
2	Gross Profit / (Loss)	(52.44)	(30.97)
3	Provision for Depreciation & Amortisation	13.01	14.23
4	Tax Expense / Provisions	-	-
5	Net Profit/(Loss)	(65.45)	(45.20)

(b) In view of losses, no dividend has been recommended for the year.

2. Clause 41

We are enclosing herewith the Audited Financial Results alongwith Audit Report for the year ended on 31st March, 2013. Also attached herewith is Annexure-A for displaying on your web-site.

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Contd.....2/

3. Clause 16

- (i) The Register of Member and Share Transfer Books of the Company will remain closed from Tuesday, the 17th September, 2013 to Tuesday, the 24th September, 2013 (both days inclusive).
- (ii) The Thirty-seventh Annual General Meeting of the Company will be held on Tuesday, the 24th September, 2013 at 11.00 AM at LML Limited, C-10, Panki Industrial Estate, Site-II & III, Kanpur-208 022. (UP)
- (iii) We declare that all the securities received for transfer 15 days prior to 24th May, 2013, have been duly transferred and dispatched to the transferees.
- (iv) We undertake that further Securities lodged for transfer will be transferred and dispatched within a period of 15 days from the date of receipt thereof.

4. Clause 30(a)

The following Directors have been appointed/re-appointed on the Board of the Company :-

- (i) Dr. V K Agnihotri has been appointed as an Additional Director (Independent Director) w.e.f. 24th May, 2013;
- (ii) Mr Sanjeev Shriya and Mr R K Srivastava, Whole-time Directors of the Company have been re-appointed, subject to necessary approvals, for their further term of 5 years each w.e.f. 18.07.2014 & 08.09.2014 respectively.

Consequently, the Board of Directors of the Company will henceforce consist of the following :-

- | | |
|------------------------------|--------------------------------|
| 1. Mr Deepak Kumar Singhania | - Chairman & Managing Director |
| 2. Mr Pawan Kumar | - IFCI Nominee |
| 3. Mr C P Ravindranath Menon | - Exim Bank Nominee |
| 4. Mr Shiromani Sharma | - Independent Director |
| 5. Mr S K Aggarwal | - Independent Director |
| 6. Dr. V K Agnihotri | - Independent Director |
| 7. Mr L K Singhania | - Wholetime Director |
| 8. Mr Sanjeev Shriya | - Wholetime Director |
| 9. Mr A K Singhania | - Wholetime Director |
| 10. Mr R K Srivastava | - Wholetime Director |

Kindly bring it to the notice of all concerned.

Thanking you,

Yours faithfully,
For LML Limited


[K C AGARWAL]
Executive Director (Commercial) &
Company Secretary

Encl : As above

LML LIMITED

Regd. Office: C-3, Panki Industrial Estate, Site I, Kanpur - 208 022 (U.P)

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31st MARCH, 2013

PART I		(Rs./lacs)				
SL.NO.	PARTICULARS	Quarter ended 31.03.2013 (Audited) (Refer Note 7)	Quarter ended 31.12.2012 (Unaudited)	Quarter ended 31.03.2012 (Unaudited)	Year ended 31.03.2013 (Audited)	Year ended 31.03.2012 (Audited)
1	Sales Volume (Nos)	14095	14504	16039	54868	75583
2	Income from Operations:					
(a)	Net Sales / Income From Operations (net of excise duty)	6384.58	5774.47	6231.06	23654.82	29707.61
(b)	Other Operating Income	133.56	119.66	266.33	718.58	1441.09
	Total Income from operations (net)	6518.14	5894.13	6497.39	24373.40	31148.70
3	Expenses:					
(a)	Cost of material consumed	4458.85	3850.95	5056.86	15495.56	21824.88
(b)	Changes in Inventories of finished goods, work-in-progress and stock-in-trade	128.81	170.13	(788.40)	1320.70	(669.29)
(c)	Employee benefits expenses	861.00	836.74	777.18	3225.41	2964.87
(d)	Depreciation	322.42	317.11	348.44	1300.93	1422.82
(e)	Other Expenses	1567.56	1552.60	1949.16	5977.00	6752.08
	Total expenses	7338.64	6727.53	7343.24	27319.60	32295.36
4	Profit/(Loss) from Operations before Other income, finance costs and exceptional items (2-3)	(820.50)	(833.40)	(845.85)	(2946.20)	(1146.66)
5	Other Income	11.95	11.68	44.11	58.44	83.27
6	Profit/(Loss) from ordinary activities before finance costs and exceptional items (4+5)	(808.55)	(821.72)	(801.74)	(2887.76)	(1063.39)
7	Finance costs	934.41	924.36	883.09	3657.64	3456.88
8	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (6-7)	(1742.96)	(1746.08)	(1684.83)	(6545.40)	(4520.27)
9	Exceptional items	-	-	-	-	-
10	Profit/(Loss) from ordinary activities before Tax (6-9)	(1742.96)	(1746.08)	(1684.83)	(6545.40)	(4520.27)
11	Tax expense	-	-	-	-	-
12	Net Profit/(Loss) from ordinary activities after Tax (10-11)	(1742.96)	(1746.08)	(1684.83)	(6545.40)	(4520.27)
13	Extra-ordinary item (net of tax expense)	-	-	-	-	-
14	Net Profit/(Loss) for the period (12-13)	(1742.96)	(1746.08)	(1684.83)	(6545.40)	(4520.27)
15	Paid-up Equity Share Capital (Face value of Rs.10 each)	8198.43	8198.43	8198.43	8198.43	8198.43
16	Reserves excluding Revaluation Reserve	-	-	-	(62635.21)	(56089.81)
17	Earning per Share for the period (Rs.) (Basic & Diluted EPS before & after Extra-ordinary Item)	(2.13)	(2.13)	(2.06)	(7.98)	(5.51)
PART II						
Select information for the period						
Sl.No.	Particulars	Quarter ended 31.03.2013	Quarter ended 31.12.2012	Quarter ended 31.03.2012	Year ended 31.03.2013	Year ended 31.03.2012
A	Particulars of Shareholding:					
1	Public shareholding:					
	-Number of Shares	60197649	60197649	60197649	60197649	60197649
	-Percentage of Shareholding	73.43%	73.43%	73.43%	73.43%	73.43%
2	Promoters and Promoter Group Shareholding:					
a)	Pledged/Encumbered					
	- Number of shares	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-
b)	Non-encumbered					
	- Number of Shares	21786671	21786671	21786671	21786671	21786671
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	100%	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the Company)	26.57%	26.57%	26.57%	26.57%	26.57%
B	Investor Complaints					
	-Complaints pending at the beginning of the quarter (Nos)	Nil				
	-Complaints received during the quarter (Nos)	1				
	-Complaints disposed off during the quarter (Nos)	1				
	-Complaints lying unresolved at the end of the quarter (Nos)	Nil				

Notes:

1 Statement of Assets and Liabilities

Sl.No.	Particulars	As at 31.03.2013 (Audited)	As at 31.03.2012 (Audited)
I	EQUITY AND LIABILITY		
(1)	Shareholder's Funds		
	(a) Share Capital	20,040.95	20,040.95
	(b) Reserve & Surplus	(62,635.21)	(56,089.81)
	Sub Total	(42,594.26)	(36,048.86)
(2)	Non- Current Liabilities		
	(a) Long Term Borrowings	-	-
	(b) Long Term Provision	1,040.72	1,069.57
	Sub Total	1,040.72	1,069.57
(3)	Current Liabilities		
	(a) Short Term Borrowings	109.37	84.37
	(b) Trade Payables	15,180.82	14,979.51
	(c) Other Current Liabilities	49,671.55	45,333.41
	(d) Short Term Provision	538.15	391.93
	Sub Total	65,499.89	60,789.22
	Total	23,946.35	25,809.93
II	ASSETS		
(1)	Non Current Assets		
	(a) Fixed Assets		
	(i) Tangible Assets	8,823.14	9,367.58
	(ii) Intangible Assets	-	-
	(iii) Capital-Work-In-Process	297.55	813.14
	(b) Non- Current Investments	0.94	0.94
	(c) Long Term Loans & Advances	97.36	108.02
	Sub Total	9,218.99	10,289.68
(2)	Current Assets		
	(a) Inventories	9,881.41	10,779.44
	(b) Trade Receivables	123.05	79.05
	(c) Cash & Bank Balances	1,742.20	2,100.33
	(d) Short-term Loans & Advances	2,980.70	2,561.43
	Sub Total	14,727.36	15,520.24
	Total	23,946.35	25,809.93

- 2 These results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their meetings held on 24th May, 2013 and Audited by the Statutory Auditors of the Company.
- 3 The Company has commenced production and export of 4-stroke CVT (Automatic-gearless) scooters.
- 4 Since the net worth of the Company had become negative, the Company has been registered and declared a Sick Industrial Company by the Board for Industrial and Financial Reconstruction (BIFR) under the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA).
- 5 Segmental information:
 (a) Primary (Business) Segment - The operations of the Company relate to only one segment viz. Motorised Two-wheelers.
 (b) Secondary (Geographical) Segment - Secondary segment reporting is on the basis of geographical location of the customers. The Company's revenue during the quarter by geographical markets are: Domestic sales Rs. 2137.42 lacs and Export sales Rs.4247.16 lacs.
 Geographical segment wise profits and capital employed are not given since the production unit and administrative expenses are common.
- 6 Comments on the Auditors' qualifications relating to the audited Annual Accounts for the year ended 31st March, 2013 and previous year ended on 31st March, 2012 and impact thereon :
 (a) Non confirmation of balances of some of the Trade receivables/ payable, Lenders and Loans & Advances.
 (b) In respect of Accounting Standard 2 (AS-2), Valuation of inventory issued by The Institute of Chartered Accountants of India.
 (c) The Company's ability to continue, as a going concern is dependent upon successful restructuring and revival 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 presently not ascertainable.
 The Company is in process of restructuring / revival of its business under the aegis of BIFR and has submitted the Draft Revival Scheme which, inter-alia, includes the proposed product plan. The ascertainment of possible utilisation of slow moving / non moving items of inventory and adjustments in Trade receivables/ payables, if any, will be undertaken upon finalisation of the product plan and approval of the revival scheme. In view of this, the accounts have been prepared on a going concern basis.
 (d) In respect of excess / short provision of interest on Term Loans.
 Interest has been charged as per the Multipartite Agreement, under which at the end of the Agreement period, the net effect will be Nil.
 (e) Non provision for interest under The Micro, Small and Medium Enterprises Development Act, 2006:
 In absence of information from Trade payables regarding status under The Micro, Small and Medium Enterprises Act, 2006, the liability of interest can not be reliably estimated.
- 7 The figures for the quarter ended 31st March, 2013 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the financial year ended 31st March, 2013.
- 8 Previous period figures have been regrouped wherever necessary to make them comparable.

Place: Gurgaon
Date: 24.05.2013

For and on behalf of the Board

(Deepak Kumar Singhania)
Chairman & Managing Director

INDEPENDENT AUDITOR'S REPORT

**To the Members,
LML Limited**

1. Report on the Financial Statements

We have audited the accompanying financial statements of LML Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Basis of Qualified Opinion

- a) *As mentioned in note 25 of financial statements, the balances of some of the trade receivables, trade payables, 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 financial statements for the year.*



- b) As mentioned in note 26 of financial statements, 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 in the Companies(Accounting Standards) Rules, 2006. 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 the restructuring/revival plan. Since the realizable value as on 31st March, 2013 has not been determined, we are unable to express any opinion as to the effect thereof if any, on the financial statements for the year.
- c) As mentioned in note 30 of financial statements, the Company has become a Sick Industrial Company due to erosion of its net worth and it's current liabilities have also exceeded its current assets by Rs. 50772.53 lakhs as at Balance Sheet date. These factors, along with other matters as set forth in the said note, raise doubt that the Company will be able to continue as a going concern. The Company is in the process of restructuring/revival of its business under the aegis of BIFR and has submitted the draft revival scheme and as directed by BIFR, the Company is in process of submitting updated revival scheme, considering this the accounts have been prepared on a going concern basis. The Company's ability to continue, as a going concern is dependent upon successful restructuring and revival 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) As mentioned in note no. 32 of financial statements, interest is provided on outstanding amount due to Banks / Financial Institutions (Secured Lenders) at the rate specified for the year amounting to Rs. 2383.18 lakhs as per Multi-partite Agreement (MPA) executed by the Company with the Secured Lenders. MPA provides different rates of interest for different periods as per schedule given therein with Yield to Maturity (YTM) rate of 6.5%. As compared to the YTM rate, there is an excess provision of interest of Rs. 35.30 lakhs for the year which is equivalent to cumulative short provision in earlier years, whereby the loss for the year is higher by the said amount.
- e) As mentioned in note no. 38 of financial statements, regarding 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 if any, on the financial statements for the year.

The consequential effect of sub Para (a), (b), (c) and (e) above on assets and liabilities as at 31st March, 2013 and loss for the year ended 31st March, 2013 are not ascertainable. Had the effect of above as stated in sub- para (d) have been given, the loss for the year would have been lower by Rs 35.30 lakhs.

5. Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matters described in the Basis of Qualified Opinion paragraph as mentioned above and read together with the other notes, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;



- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

6. Report on Other Legal and Regulatory Requirements

- A. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- B. As required by section 227(3) of the Act, we report that:
- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. *except for the matter described in the Basis for Qualified Opinion paragraph 4(b),* in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the Directors as on March 31, 2013, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2013, from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Khandelwal Jain & Co.
Chartered Accountants
Firm Regn. No. 105049W



Akash Shinghal
(Partner)
M. No. 103490



For PARIKH & JAIN
Chartered Accountants
Firm Regn. No. 001105C



(A. K. Jain)
(Partner)
M. No. 071253



Place: Gurgaon
Date: 24th May, 2013

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 6(a) of the Auditors' Report of even date to the Members of **LML Limited** on the accounts for the year ended 31st March, 2013;

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situations of its Fixed Assets, *however these records are in the process of updation.*

(b) As per the information and explanations given to us, the Company has formulated a programme of physical verification to cover all major categories of fixed assets over a period of three years. Accordingly some categories of the fixed assets have been physically verified during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable, having regard to the size of the Company and nature of its business.

(c) During the year, the Company has not disposed off any substantial part of the fixed assets, which affects the going concern status of the company.

- II. (a) The physical verification of inventories in Company's custody was conducted by the management, wherever practicable, during or at the end of the year, in our opinion, is fairly reasonable. *In case of materials lying with other parties, they are subject to confirmations.*

(b) The procedure of physical verification of inventories followed by the management is, in our opinion, reasonable in relation to the size of the Company and the nature of its business. As explained to us, *Company is in process of restructuring/revival of its business under the aegis of BIFR which, inter alia, includes finalization of the product plan. The process of possible utilization of slow/non-moving items of inventory will be undertaken inter-alia upon finalization of the product plan and restructuring/revival plan. The requisite accounting effect, if any, will be given upon such ascertainment / determination and approval of revival plan.*

(c) The Company is maintaining proper records of Inventory. In our opinion, the discrepancies noticed on physical verification of stocks were not material in relation to the operation of the Company and the same have been properly dealt with in the books of account.

- III. (a) As per the information furnished, the Company has not granted any loans, secured or unsecured to and from companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, paragraphs 4(iii) (a), (b), (c) and (d) of the Order are not applicable.

(b) As per the information furnished, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, Clause 4 (iii) (e), (f) and (g) of the said Order is not applicable.



- IV. In our opinion and according to information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
- V. Based on the audit procedure applied by us and according to the information and explanations provided by the management, during the year, there has been no contract or arrangement that needed to be entered into the register maintained under section 301 of the Companies Act, 1956. Accordingly, Clause 4 (v)(b) of the said Order is not applicable.
- VI. The Company has not accepted any deposits from the public within the meaning of the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956.
- VII. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- VIII. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- IX. (a) *According to the information and explanations given to us and the records examined by us, undisputed statutory dues including, income tax, sales tax, employees state insurance, provident fund and other statutory dues applicable to it have not been regularly deposited with the appropriate authorities and there have been delays in a number of cases. According to information and explanations given to us, undisputed arrears of statutory dues outstanding as at 31st March, 2013 for a period of more than six months from the date they became payable, are as under: -*

S.N	Name of the Statute	Nature of Dues	Rs. In Lakhs
1)	Provident Fund	Employers Contribution	142.71
		Employee Contribution	42.34
2)	Sales Tax	Sales Tax Dues	1072.73
3)	Employee State Insurance	Employer and Employees Contribution	23.47
4)	Income Tax Act	Income Tax Deducted at Source	153.20
		Income Tax Collected at Source	1.23
		Fringe Benefit Tax	312.59
5)	Professional Tax	Professional Tax	0.58



(b) According to the records of the Company, the details of Statutory Dues, which have not been deposited on account of disputes and the forum where the dispute is pending, are as under:

S NO	Name of The Statute	Nature of Due	Amount Rs. in Lakhs)	Period	Forum Where Pending
1	The Central Excise Act 1944	Modvat credit, duty on off cuts or inputs, valuation, classification & cenvat	414.00	1989-90 to 2006-07	Commissioner Appeal, Tribunal (CESTAT), Supreme Court
2	Central Sales Tax Act 1956, Local Sales Tax Act & Local Entry Tax Act	Non- submission of declaration forms, entry tax, penalty, interest, stock transfer and other issues	12812.14	1989-90 to 2007-08	Appellate Authority, Tribunal, High Court
3	Customs Act 1962	(i) Duty	12.16	2001-02	Reassessment of amount, pending with Customs – Mumbai
		(ii) Valuation & Concession	12.69	1986-87 & 1994-95	Assistant Commissioner
4	Income-Tax Act, 1961	Disallowances Disputed in ITAT	3949.98	A.Y. 1997-98 to 2006-07	ITAT
		Disallowances Disputed in High Court	375.24	A.Y. 1995-96 & 1996-97	High Court

- X. *The accumulated losses of the Company as at 31st March, 2013 are more than fifty percent of its net worth at the end of the financial year. The Company has incurred cash losses during the financial year and also in the immediately preceding financial period.*
- XI. *The Company has executed a Multi-Partite Agreement with Banks and Financial Institutions (Secured Lenders) on March 28, 2005. Based on our audit procedures and the information and explanations given to us, the Company is in default in respect to the payments to the Secured Lenders as given below.*

Nature of the Dues	Period of Default	Amount Involved(Rs)
Principal	More than 12 months	863,650,441
Interest	More than 12 months	790,150,501
Principal	Jun-12	42,921,639
Interest	Jun-12	56,280,448



<i>Principal</i>	<i>Sep-12</i>	<i>42,921,639</i>
<i>Interest</i>	<i>Sep-12</i>	<i>58,937,015</i>
<i>Principal</i>	<i>Dec-12</i>	<i>42,921,639</i>
<i>Interest</i>	<i>Dec-12</i>	<i>61,058,587</i>
<i>Principal</i>	<i>Mar-13</i>	<i>42,923,215</i>
<i>Interest</i>	<i>Mar-13</i>	<i>62,041,402</i>

The Company is in Default in the payments of Interest to Foreign Currency Convertible Bonds holders:

<i>Period of Default</i>	<i>Amount Involved(Rs)</i>
<i>More than 12 months</i>	<i>16,864,879</i>

- XII. Based on our examination of the records and information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. As per the information and explanations given to us the provisions of any Special Statute applicable to Chit Fund do not apply to the Company. The Company is also not a nidhi/mutual benefit fund/society.
- XIV. In our opinion, and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- XV. Based on our examination of records and information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- XVI. Based on our examination of the records and information and explanations given to us, no fresh term loan has been obtained by the Company during the year.
- XVII. As per the information and explanations given to us and on an overall examination of the Balance Sheet of Company, *we report that the Company, during the year has used funds by way of increase in current liabilities for long term assets (applications) to the extent of Rs. 259.09 lakhs (Refer Note 31 of the financial statement).*
- XVIII. The Company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under section 301 of the Act.
- XIX. The Company has not issued any secured debentures during the year.



- XX. The Company has not raised any money by public issue during the year ended March 31, 2013.
- XXI. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

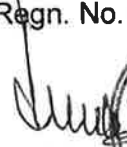
For Khandelwal Jain & Co.
Chartered Accountants
Firm Regn. No. 105049W


Akash Shinghal
(Partner)
M. No. 103490



Place: Gurgaon
Date: 24th May, 2013

For PARIKH & JAIN
Chartered Accountants
Firm Regn. No. 001105C


(A. K. Jain)
(Partner)
M. No. 071253



ANNEXURE 'A'

**"LML AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED ON
31st MARCH, 2013 "**

Format for Electronic Upload – Financial Results		
Fields	Format	Checks
Symbol	X(10)	As allotted by the Exchange
From Date	01.04.2012	
To Date	31.03.2013	
Result Type	A	To indicate Audited, Unaudited or Project status
Period Type	AN	To indicate whether the results are AN (AnnUL), Q1 (1st Qtr.), Q2 (2nd Qtr.), Q3 (3rd Qtr.) Q4 (4th Qtr.), OT (Others), H1 (1st Half), H2 (2nd Half)
Cumulative / Non Cumulative	C	To indicate whether the results are cumulative/non-cumulative i.e. Q3 – N will be results for 3 months and not for 9 months
	Rs. In Lakhs	
1	(a) Net Sales	23654.82
	(b) Other Operating Income	718.58
2	Expenditure	
	a) (Increase)/Decrease in Stock in Trade and work in Process	1320.70
	b) Consumption of Raw Materials & Components	15495.56
	c) Employee Benefits Expenses	3225.41
	d) Depreciation & Amortisation	1300.93
	e) Impairment of Fixed Assets	-
	f) Other Expenditure	5977.00
3	Profit/(Loss) from Operations before Other Income, Interest and Exceptional Items (1-2)	(2946.20)
4	Other Income	58.44
5	Profit/(Loss) before Interest and Exceptional Items (3+4)	(2887.76)
6	Interest / Finance Cost	3657.64
7	Profit/(Loss) after Interest but before Exceptional Items (5-6)	(6545.40)
8	Exceptional Items	-
9	Profit/(Loss) from Ordinary Activities before Tax (7-8)	(6545.40)
10	Tax expense (FBT)	-
11	Profit/(Loss) from Ordinary Activities after Tax (9-10)	(6545.40)
12	Extraordinary item (net of tax expense)	-
13	Net Profit/(Loss) for the period (11-12)	(6545.40)
14	Paid-up Equity Share Capital (Face value of Rs. 10 each)	8198.43
15	Reserves excluding Revaluation reserves	(62635.21)
16	Earning per share for the period (Rs.) (Basic & Diluted before & after Extra-ordinary Item)	(7.98)