



# ANNUAL REPORT

2009 - 2011



**LML LIMITED**

## **LML LIMITED**

Registered Office : C-3, Panki Industrial Estate, Site-I, Kanpur-208022. (U.P.)

Dear Shareholders,

### **Sub : Green Initiative in Corporate Governance – LML Limited (“LML”)**

This is to inform you that the Ministry of Corporate Affairs (“MCA”), Government of India has taken a “Green Initiative” in the Corporate Governance by permitting paperless compliances by companies (vide its Circular No. 17/2011 dated April 21, 2011 and Circular No.18/2011 dated April 29, 2011) and clarified that a company will be deemed to have complied with the provisions of Sections 53 and 219(1) of the Companies Act, 1956, in case documents like notice, annual report etc. are sent in electronic form to its Members, subject to compliance with the conditions stated therein.

Accordingly, LML proposes to send henceforth all communications / documents including the Notice calling the Annual General Meeting, Annual Reports etc. in electronic mode to those Members who have registered their e.mail address(es) with their Depository Participant (“DP”) and made available to us by the Depository.

Please note that the said documents will be uploaded on the website of the Company viz. [www.lmlworld.com](http://www.lmlworld.com) for your ready reference.

We, therefore, invite all our shareholders to contribute to the cause by registering their e.mail address with the DP or inform their e.mail address at [green.initiative@lml.co.in](mailto:green.initiative@lml.co.in) duly quoting your DP ID & Client ID/ Folio Number(s).

Please note that as a Member of the Company, you are always entitled to request and receive, free of cost, a copy of the Annual Report of the Company and other documents in accordance with the provisions of the Companies Act, 1956.

We look forward to your continued and encouraging support to this unique initiative by the MCA.

Thanking you and assuring you of our best attention at all times,

Yours faithfully,

**For LML Limited**

**K C Agarwal**

*Executive Director (Comm.) &  
Company Secretary*



## **BOARD OF DIRECTORS**

DEEPAK SINGHANIA, *Chairman & Managing Director*

S K BHANDARI, *Nominee Director, IFCI*

C P RAVINDRANATH, *Nominee Director, EXIM Bank*

K K SHANGLOO, *Special Director, BIFR*

SHIROMANI SHARMA, *Independent Director*

S K AGGARWAL, *Independent Director*

LALIT KUMAR SINGHANIA, *Whole-time Director*

SANJEEV SHRIYA, *Whole-time Director*

A K SINGHANIA, *Whole-time Director*

R K SRIVASTAVA, *Whole-time Director*

## **EXECUTIVE DIRECTOR (COMMERCIAL) & COMPANY SECRETARY**

K C AGARWAL

## **AUDITORS**

KHANDELWAL JAIN & CO., *Chartered Accountants, Mumbai*

PARIKH & JAIN, *Chartered Accountants, Kanpur*

## **COST AUDITORS**

J K KABRA & Co., *Cost Accountants, New Delhi*

## **BANKERS**

HDFC BANK

J & K BANK

DEUTSCHE BANK

HSBC BANK

ALLAHABAD BANK

## **REGISTERED OFFICE**

C-3, Panki Industrial Estate, Site - I,

Kanpur- 208 022 (U.P.)

## **WORKS AND CORPORATE OFFICE**

Site Nos. II & III, C-10, Panki Industrial Estate,

Kanpur – 208 022 (U.P.)

## **ADMINISTRATIVE OFFICE**

714, Raheja Chambers, Nariman Point, Mumbai

## **REGIONAL OFFICE**

Ground Floor, Plot No. 82, Sector 44,

Gurgaon - 122 003 (Haryana)

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# LML LIMITED ANNUAL REPORT 2009-11

## NOTICE

Notice is hereby given that Thirty Fifth Annual General Meeting of the Members of LML Limited will be held on Tuesday, the 20th September, 2011 at 11.00 AM at C-10, Panki Industrial Estate, Site-II & III, Kanpur- 208 022 (U.P.) to transact the following businesses:-

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the eighteen months ended on that date, together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr Satinder Kumar Aggarwal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr Lalit Kumar Singhania, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration and, to consider, and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Section 224 and all other applicable provisions, if any, of the Companies Act, 1956, the retiring Auditors, M/s Khandelwal Jain & Co., Chartered Accountants, (Firm Registration No. 105049W) of Mumbai and M/s. Parikh & Jain, Chartered Accountants, (Firm Registration No. 001105C) of Kanpur be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors and/or any Committee thereof."

### SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and 311 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactments thereof) and subject to such other approvals as may be required (if any), the consent of the Company be and is hereby accorded to the re-appointment of Mr. Ram Kumar Srivastava as a Whole-time Director of the Company liable to retire by rotation for a period of five years w.e.f 08.09.2011, on the remuneration and terms & conditions as set out below :

- (a) Basic Salary : Rs. 50,200.00 per month
- (b) Special Allowance : Rs. 4,875.00 per month
- (c) House Rent Allowance : Rs. 25,100.00 per month
- (d) Special Pay : Rs. 80,000.00 per month
- (e) Perquisites : He shall be entitled to the following perquisites:-
  - (i) Book Allowance: He shall be entitled for Rs. 2500.00 per month.
  - (ii) Servant Salary : He shall be entitled for re-imbursement of Rs. 3000.00 per month.
  - (iii) Entertainment Expenses : He shall be entitled for Rs. 3000.00 per month.
  - (iv) Use of Company's Car, Telephone and Mobile : The Company will provide a car, telephone and Mobile phone. He will also be entitled for reimbursement of driver's salary, petrol and maintenance for running the

car as per Company's Policy. The provision of car for use in Company's business will not be considered as perquisites.

- (v) Medical Allowance : He shall be entitled for Medical Allowance of Rs. 6275.00 per month.
- (vi) P.F. Contribution : The Company shall contribute 12% of his Basic salary in his Provident Fund Account.
- (vii) House Maintenance Allowance : He shall be entitled for House Maintenance Allowance of Rs. 15,000.00 annually.
- (viii) Uniform Allowance : He shall be entitled for Uniform Allowance of Rs. 20,000.00 annually.
- (ix) Soft Furnishing Allowance : He shall be entitled for Soft Furnishing allowance of Rs. 27,800.00 annually.
- (x) Ex-Gratia : He shall be entitled for Ex-Gratia of Rs. 40,000.00 annually.
- (xi) LTA : He shall be entitled for Leave Travel Assistance for maximum of two months' basic salary.

"RESOLVED FURTHER THAT in addition to the aforesaid salary, he shall also be entitled to perquisites namely, Furniture and Furnishings, Water and Electricity, Security Guard(s), reimbursement of Hospitalization expenses for self and family, Club(s) membership, Gratuity, Encashment of Leave and any other perquisites as per policy and rules of the Company in force or as may be approved by the Board from time to time. The monetary value of such perquisites shall be determined as per Income Tax Rules wherever applicable, and, in the absence of any such rules, shall be valued at actual cost. The total value of remuneration including perquisites shall not exceed Rs. 2.0 (Two) lacs per month.

The aforesaid remuneration shall also be paid as minimum remuneration in the absence or inadequacy of profits in any financial year.

"RESOLVED FURTHER THAT the services of Mr Ram Kumar Srivastava, Whole-time Director of the Company may be terminated at any time at the discretion of the Company, with the prior approval of Board of Directors after giving him three months' notice or equivalent payment of salary in lieu thereof."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors  
For LML Limited

**K C AGARWAL**  
Executive Director (Comm.) &  
Company Secretary

Place : Gurgaon  
Dated : 27.05.2011

### NOTE(S) :

1. *A member entitled to attend and vote at the meeting is entitled to appoint a PROXY to attend and, on a poll, to vote instead of himself/herself and such proxy need not be a member of the Company. A blank form of proxy is enclosed, which if intended to be used and the proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the scheduled time for holding the aforesaid meeting.*



2. Information under Clause 49 of the Listing Agreement regarding appointment /re-appointment of Directors (Item No. 2, 3 & 5) and Explanatory Statement u/s 173(2) of the companies Act, 1956 (for Item No. 5) is appended herein below.
3. The Register of Members and the Share Transfer Books will remain closed from 13th September, 2011 to 20th September, 2011 (both days inclusive).
4. Company's shares are being compulsorily traded in Demat form w.e.f. 17th January, 2000. Members may send Dematerialization Request Form(s) (DRF) along with Share Certificate(s) through their Depository Participant(s) for demat of shares to LML Shares Registry, C-10, Panki Industrial Estate, Site-II, Kanpur – 208 022. (U.P.).
5. Members holding shares in physical form are requested to notify changes in their addresses, if any, to LML Shares Registry, quoting their folio number(s), while those holding in the electronic mode are requested to send the intimation for change of address(es) to their respective Depository Participant(s).
6. Members, who are holding Shares (in physical form) in identical order of names in more than one Folio(s), are requested to write to LML Shares Registry, enclosing their share certificates for consolidation in one folio.
7. Members seeking any information with regard to Annual Accounts are requested to write to the Company at least one week in advance so as to enable the Company to keep information ready at the time of Annual General Meeting.
8. Only individual members, who wish to nominate a person under section 109A of the Companies Act, 1956, may furnish us required details in the prescribed Form 2B, which is available on demand.
9. Members / Proxies should bring the enclosed Attendance Slips duly filled in, for attending the meeting.
10. The Company has implemented the "Green Initiative" as per Circular Nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs (MCA) to enable electronic delivery of notices/documents and annual reports to shareholders. Henceforth, the e.mail addresses indicated in your respective Depository Participant (DP) accounts which will be periodically downloaded from NSDL/CDSL will be deemed to be your registered e.mail address for serving notices/documents including those covered under Section 219 of the Companies Act, 1956. The Notice of AGM and the copies of audited financial statements, Directors' Report, Auditors' Report etc. will also be displayed on the website [www.lmlworld.com](http://www.lmlworld.com) of the Company and the other requirements of the aforesaid MCA circular will be duly complied with. Members holding shares in electronic mode are, therefore, requested to ensure to keep their e.mail addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their e.mail addresses by writing to the Company at Company's e.mail address at [green.initiative@lml.co.in](mailto:green.initiative@lml.co.in) quoting their folio number(s).

#### INFORMATION UNDER CLAUSE 49 OF THE LISTING AGREEMENTS REGARDING RE-APPOINTMENT OF DIRECTORS AND EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

##### Item No. 2

Mr. Satinder Kumar Aggarwal, age 78 years, is a professionally qualified Chartered Accountant and Cost Accountant, who is a Director of the Company since 16th May, 1989. Shri Aggarwal has vast experience in the areas of Finance, Accounts and general Corporate Management.

He is also Chairman of Audit Committee, Share Transfer and shareholders/ Investors Grievance Committee & Remuneration Committee and a member of Sub-Committee of Directors, and Financial Restructuring Committee of Directors of your Company.

He does not hold any Equity Shares of the Company.

None of the Directors of the Company except Mr. Satinder Kumar Aggarwal, is in any way, concerned or interested in passing of the said resolution.

##### Item No. 3

Mr. Lalit Kumar Singhania, age 67 years is a Post Graduate. He has substantial executive experience, and has been actively involved in day to day affairs of the Company as President w.e.f. 18.07.1984, as Deputy Managing Director w.e.f. 27.09.1988 and as Whole-time Director w.e.f. 28.03.1995.

He is also a member of Share Transfer & Shareholders/Investors' Grievance Committee and Sub-committee of Directors of your Company.

He holds 140 (One Hundred Forty) Equity Shares of the Company.

None of the Directors of the Company except Mr. Lalit Kumar Singhania (himself), Mr. Deepak Singhania (his brother) & Mr. Anurag Kumar Singhania (his son) is in any way, concerned or interested in passing of the said resolution.

##### Item No. 5

Mr. Ram Kumar Srivastava, M.A., LL.B., D.L.L., age 72 years, has vast experience of about 48 years in various areas of business Management. He has widely travelled and has substantial exposure especially personnel, Industrial Relationship, Management & Human Resources Development. He is actively involved in day to day affairs of the company since 15.02.1984 and was appointed as Whole-time Director with effect from 08.09.2006.

He is also Independent Director of VCCL Limited.

He does not hold any Equity Shares of the Company.

None of the Directors of the Company except Mr. Ram Kumar Srivastava, is in any way, concerned or interested in passing of the said resolution.

The Board of Directors recommends the resolution, as set out for approval of the shareholders.

The proposed resolution as set out in item no. 5 and this explanatory statement may be treated as an abstract of the terms and conditions of re-appointment & remunerations of Mr. Ram Kumar Srivastava, Whole-time Director of the company in terms of section 302 of the Companies Act, 1956.

By Order of the Board of Directors  
For LML Limited

**K C AGARWAL**

*Executive Director (Comm.) &  
Company Secretary*

Place : Gurgaon  
Dated : 27.05.2011

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## CORPORATE GOVERNANCE

### I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Good Corporate Governance is an integral part of the Company's Management and business philosophy. The Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in enhancing confidence of its various stakeholders thereby paving the way for its long term success. At LML, we are making continuous efforts to adopt the best practices in corporate governance and we believe that the practice we are putting into place for the Company shall go beyond adherence to regulatory framework. Our corporate structure, business and disclosure practices have been aligned to our Corporate Governance Philosophy. This section alongwith the section on 'Management Discussion & Analysis' and 'General Shareholders Information' constitute LML's compliance with Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges.

### II. BOARD OF DIRECTORS

#### Composition of Board

The Board of Directors along with its Committees provides

leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company. The Board of Directors of the Company consists of Executive and Non-Executive Directors. As on 31st March, 2011, the Board of Directors comprised of 10 Directors, out of which 5 (50%) were non executive and independent directors. The composition of the Board is in consonance with Clause 49 of the Listing Agreement. Two Directors are nominees of Secured Lenders namely, IFCI and EXIM Bank and one Director is Special Director appointed by BIFR. The Chairman is an Executive & Promoter Director.

None of the Director on Company's Board is a member of more than 10 committees and or Chairman of more than 5 committees (Committees being, Audit Committee and Investors' Grievance Committee) across all the companies in which he is director.

Composition of the Board of Directors of the Company and their other Directorship(s) / Committee Membership(s) / Chairmanship(s) as on 31st March, 2011, number of meetings held during their tenure and attended by them etc. are given in Table-1.

**Table - 1 : Details about Company's Board of Directors**

Name of Directors	No. of Board Meeting held during h/s/her tenure and attended		Attendance as last AGM	No. of Directorship(s) and Committee Membership(s)/ Chairmanship(s) of other public companies		
	Held	Attended		Other Directorship(s)	Committee Membership(s)	Committee Chairmanship(s)
<b>Executive Directors</b>						
Mr Deepak Singhania (CMD)	7	7	Yes	–	–	–
Mr Lalit Kumar Singhania	7	5	Yes	–	–	–
Mr Sanjeev Shriya	7	3	No	3	–	–
Mr A K Singhania	7	1	No	–	–	–
Mr R K Srivastava	7	2	Yes	1	–	2
<b>Non-Executive and Independent Directors</b>						
Mr S K Aggarwal	7	7	Yes	–	–	–
Mr Shiromani Sharma	7	5	Yes	2	–	2
Mrs Sangeeta Sharma [Nominee-Exim Bank]	7	6	No	2	–	–
Mr K K Shangloo [Special Director-BIFR]	7	6	Yes	–	–	–
Mr S K Bhandari [Nominee-IFCI]	7	7	No	–	–	–

#### Board/Shareholders' Meetings

During the financial year under review, seven Board Meetings were held on 6th November, 2009, 30th December, 2009, 30th January, 2010, 15th May, 2010, 14th August, 2010, 9th November, 2010 and 31st January, 2011. The maximum time-gap between any two consecutive meetings did not exceed 4 months. The last Annual General Meeting (AGM) was held on 25th March, 2010.

#### Board Procedure

As per Corporate Policy, statutory and material information is placed before the Board with a view to enable it to discharge efficiently its responsibilities in formulating the strategies and policies for the growth of the Company. The Agenda and other relevant papers are circulated prior to the scheduled dates of the meetings. The day-to-day affairs of the Company are managed by the Chairman & Managing Director and four Whole-time



Directors subject to the supervision and control of the Board of Directors. Opinions and advice of the Independent Directors are considered valuable guidance. For specific matters, the various Committees of the Directors deliberate in detail, analyze situations, information and firm up views & advise the Board on decision making & follow up actions as may be considered appropriate.

#### Code of Conduct

We at LML Limited have laid down a Code of Conduct for all Board Members and senior management of the Company. The Code of Conduct is available on the website of the Company i.e. [www.lmlworld.com](http://www.lmlworld.com). The code has been circulated to all the members of the Board and senior management and they have affirmed compliance with the Code of Conduct. A declaration signed by the Chairman & Managing Director to this effect is attached to the Annual Report.

### III. COMMITTEES OF THE BOARD OF DIRECTORS

#### Audit Committee

Composition of the Audit Committee meets the criteria as prescribed by law. The Committee comprises of four Directors, majority being Non-Executive & Independent and are 'financially literate' as required by Clause 49 of the Listing Agreement. Moreover, the Audit Committee has members who have accounting or related financial management expertise. It met seven times during the period 2009-11 on 6th November 2009, 30th December 2009, 30th January 2010, 15th May 2010, 14th August 2010, 9th November 2010 and 31st January 2011. The attendance of the Audit Committee Members was as under:-

Name	Category	No. of Meetings Attended
Mr S K Aggarwal	Chairman	7
Mr Shiromani Sharma	Member	5
Mr S K Bhandari	Member	7
Mr Deepak Singhania	Member	7

Mr. K C Aggarwal, Executive Director (Comml.) & Company Secretary acts as Secretary to the Audit committee. Head of the Internal Audit and Accounts Department, Statutory Auditors/Cost Auditors/Internal Auditors attended the meetings of Audit Committee.

The Audit Committee deals with the various aspects of financial statements including quarterly, half yearly and annual results, adequacy of internal controls & internal audit functions, various audit reports, significant decisions affecting the financial statements, compliance with accounting standards and Company's financial & risk management policies. It reports to the Board of Directors about its findings & recommendations pertaining to above matters. Board accepted all the recommendations of the Audit Committee.

#### Share Transfer & Shareholders/ Investors' Grievance Committee

The Share Transfer & Shareholders / Investors' Grievance Committee of the Company looks into the matters like transfer / transmission, issuance of duplicate shares, non-receipt of declared dividend etc. and investigate the investors' complaints and take necessary steps for redressal thereof.

Share Transfer & Shareholders/Investors' Grievance Committee, consisting of following Directors, met seven times on 6th November 2009, 30th December 2009, 30th January 2010, 15th May 2010, 14th August 2010, 9th November 2010 and 31st January 2011. The attendance of the Members of Share Transfer & Shareholders/Investors' Grievance Committee was as under :-

Name	Category	No. of Meetings Attended
Mr S K Aggarwal	Chairman	7
Mr Lalit Kumar Singhania	Member	5
Mr Shiromani Sharma	Member	5
Mr Deepak Singhania	Member	7

Mr K C Aggarwal, Executive Director (Commercial) & Company Secretary is also Compliance Officer of the Company.

#### Financial Restructuring Committee of Directors

The Company has constituted a Financial Restructuring Committee of Directors on 27.01.2005 to facilitate documentation and other work related to Financial Restructuring of the Company. The Financial Restructuring Committee of Directors comprises of following Directors :-

Name	Category
Mr S K Aggarwal	Member
Mr Shiromani Sharma	Member
Mr Deepak Singhania	Member
Mr Sanjeev Shriya	Member
Mr A K Singhania	Member

The Committee did not meet during the financial year 2009-11.

#### Remuneration Committee

Remuneration Committee of the Board of Directors recommends/ reviews the remuneration package of Managing Director & Whole-time Directors. The Remuneration Committee comprises of three Directors, all being Independent Director. It met once during the period 2009-11 i.e. on 30th December, 2009. The attendance of the Remuneration Committee Member was as under:—

Name	Category	No. of Meetings attended
Mr S K Aggarwal	Chairman	1
Mr Shiromani Sharma	Member	1
Mr S K Bhandari	Member	1



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### • Sub-Committee of Directors

The Company has a Sub-Committee of Directors of the Board for taking on record the un-audited financial results of the Company and to do all other acts, deeds and things in terms of clause 41 of the Listing Agreement in the situation, where Board Meeting is not held for the purpose. The Sub-Committee of Directors comprises of following Directors :-

Name	Category
Mr S K Aggarwal	Member
Mr Lalit Kumar Singhania	Member
Mr Sanjeev Shriya	Member
Mr Deepak Singhania	Member

Since the un-audited financial results were considered by the Board of Directors in their meetings, the sub-Committee did not meet during the financial year 2009-11.

### Directors' Remuneration

The details of remuneration paid/payable to the Directors during the year were as under :

Name	Gross Remuneration (Rs.)	Sitting Fee (Rs.)	Total (Rs.)
Mr K K Shangloo	–	6,000	6,000
Mr. S K Bhandari	–	15,000	15,000
Ms Sangeeta Sharma	–	6,000	6,000
Mr S K Aggarwal	–	22,000	22,000
Mr Shiromani Sharma	–	16,000	16,000
Mr Lalit Kumar Singhania	4,87,894	–	4,87,894
Mr Sanjeev Shriya *	29,19,085	–	29,19,085
Mr Deepak Singhania	34,61,505	–	34,61,505
Mr. A.K. Singhania	16,00,064	–	16,00,064
Mr. R.K. Srivastava **	15,90,101	–	15,90,101

\* Includes Rs. 5,03,219 for the period 16.07.2009 to 30.09.2009.

\*\* A loan was given to Shri R K Srivastava as an executive of the Company, who was later appointed as a Whole-time Director of the Company w.e.f. 08.09.2006.

- Gross remuneration includes salary, perquisites & Income Tax on perquisites paid / payable by the Company.
- The Company has a policy of not advancing any loan to Directors. The Company does not have any stock option scheme.
- Managing Director & Whole-time Directors have been appointed for a period of five years. As per service rules of the Company, either party is entitled to terminate the appointment by giving not less than three months' notice in writing to the other party. There is no severance fee.

### • Complaints by shareholders & their redressal during the year is as under :-

Nature of Complaints	Received	Resolved
Non-receipt of Dividend & Annual Report	4	4
Delay in Transfer of Shares / Non-receipt of shares after Transfer	–	–
Change of Address	–	–
Debenture Interest/ Redemption	1	1
Others	2	2
Total	7	7

## IV. OTHER DISCLOSURES

### • Details of last three Annual General Meeting(s)

Year	Venue	Date	Time	Any Special Resolution
2009	At LML Limited, C-10, Panki Indl. Estate, Site II-III, Kanpur-208022	25.03.10	11.00 AM	No
2008	At LML Limited, C-10, Panki Indl. Estate, Site II-III, Kanpur-208022	21.03.09	11.00 AM	No
2007	At LML Limited, C-10, Panki Indl. Estate, Site II-III, Kanpur-208022	28.03.08	10.00 AM	No

Whether any special resolution was put through Postal Ballot last year, details of voting pattern	No
Person who conducted the Postal Ballot exercise	N.A.
Are votes proposed to be conducted through Postal Ballot this year	No
Procedure for Postal Ballot	N.A.

### Disclosures

- None of the transactions with any of the related party are in conflict with the interest of the Company. Transactions with related parties have been disclosed in Note No. 18 of Schedule 14 to the Notes on Accounts in the Annual Report.
- There is no non-compliance of any provision of law by the Company nor any penalty / stricture imposed on the Company by Stock Exchange(s), SEBI or any other authority, on any matter related to capital markets, during the last three years.
- The Company has complied with all the mandatory requirements of the Corporate Governance, except Risk assessment and minimization procedures which are being formulated.





#### Means of Communication

Half yearly report sent to each house hold of shareholder(s)	No. However, Company is publishing the results in National & Regional Newspapers.
Reporting of Quarterly Results	Quarterly Results are published in National & Regional Newspapers.
Any web-site, where displayed	Yes. w.e.f. April, 2011 1. Company's website <a href="http://www.lmlworld.com">www.lmlworld.com</a> 2. The results are also being sent to all the Stock Exchanges, where the shares of the Company are listed, for putting, on their own web-site.
Whether it also displays official news releases and the presentations made to institutional investors or to the analysts	Not Applicable
Whether Management Discussion & Analysis Report is a part of Annual Report or not	Yes
Whether Shareholder Information Section forms part of the Annual Report	Yes

Information relating to Directors seeking re-appointment as required under clause 49(IV)(G) of the Listing Agreement is given in the notice of Annual General Meeting.

#### V. SHAREHOLDERS INFORMATION

##### • Annual General Meeting

Day & Date	Tuesday, the 20th September, 2011
Time	11.00 A.M.
Venue	LML Limited C-10, Panki Industrial Estate, Site II-III, Kanpur – 208 022 (U.P.)

##### • Financial Calendar (tentative)

Financial Reporting for the quarter ending June, 2011	Upto 14th August, 2011
Financial Reporting for the quarter/half year ending September, 2011	Upto 14th Nov., 2011
Financial Reporting for the quarter ending December, 2011	Upto 14th Feb, 2012
Financial Reporting for the year ending March, 2012	Upto 30th May, 2012
Annual General Meeting for the year 2011-12.	End of September, 2012

##### • Dates of Book Closure

From the 13th September, 2011 to the 20th September, 2011 (both days inclusive).

##### • Dividend Payment Date

Not Applicable since Dividend not recommended/declared.

##### • The name of the Stock Exchanges on which the Equity Shares of the Company are listed as on 31st March, 2011 :

Name of Stock Exchanges	Code
Bombay Stock Exchange Limited, Mumbai (BSE)	500255
National Stock Exchange of India Ltd., Mumbai (NSE)	LML
U. P. Stock Exchange Limited Kanpur (UPSE)	L 00004

##### • Market Price Data

Monthly High & Low prices of the Equity Shares of the Company for the period 1st October, 2009 to 31st March, 2011 were as under:

(Amount in Rs.)

Month	High		Low	
	NSE	BSE	NSE	BSE
October, 2009	11.30	12.50	8.90	8.90
November, 2009	10.30	10.50	8.20	8.31
December, 2009	13.10	13.05	8.95	8.90
January, 2010	12.60	12.60	9.90	9.91
February, 2010	11.15	11.15	9.45	9.45
March, 2010	10.45	10.49	7.70	8.90
April, 2010	10.60	11.75	9.15	9.11
May, 2010	9.70	9.69	8.30	8.32
June, 2010	11.50	11.53	8.50	8.50
July, 2010	14.40	14.28	10.30	10.32
August, 2010	12.85	12.85	10.45	10.50
September, 2010	12.60	12.55	10.80	11.05
October, 2010	13.50	13.49	11.20	9.50
November, 2010	16.50	16.45	11.25	11.10
December, 2010	13.60	13.00	10.55	10.80
January, 2011	12.50	12.38	9.95	9.98
February, 2011	10.50	11.50	8.55	8.50
March, 2011	11.45	11.43	8.60	8.75

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### • Share Transfer System

The physical Share transfer work is being done in-house. Share Transfers in physical form are registered, if documents are clear in all respect and duly transferred Share Certificates are returned to the registered holders within the maximum time limit i.e. 30 days. The Share Transfer and Shareholders/Investors' Grievance Committee meets frequently to approve transfer of Shares above 10000 Nos. under one transfer deed. Each of the Committee Member is severally authorised to approve transfers upto 10,000 shares under one transfer deed. Company Secretary and Senior Manager (Secretarial/shares) / Officers of the Company have been authorised to approve transfer up to 5000/100 shares respectively under one transfer deed.

### • Dematerialisation of shares and liquidity

SEBI vide its Circular No. SMDRP/Policy/CIR-01/2000 dated 06th January, 2000 has notified that trading in Equity Shares of the Company is permitted only in dematerialized form w.e.f. 17th January, 2000 and pursuant to SEBI circular No D&CC/FITTC/CIR-15/2002 dated 27/02/2002, and work related to share registry in terms of both physical and electronic should be maintained at a single point. Company has established Electronic Connectivity with Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Limited (NSDL), which are working successfully. All requests for dematerialization of shares are processed and confirmation is given to the respective depositories i.e. National

Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) within the stipulated time, up to 31st March, 2011, 83.94% equity shares of the Company has been dematerialized.

#### Other details are as under :

- Approximate time taken by Company for share transfer if the Documents are clear in all respects : 15 days
- Demat ISIN Number for Equity Shares of the Company in NSDL & CDSL : INE862A01015
- Total no. of shares dematerialised upto 31.03.2011 : 68815752
- Total no. of shares rematerialised upto 31.03.2011 : 14874
- Total No. of shares transferred during 2009-11 (physical) [01-10-2009 to 31-03-2011] : 24399
- No. of shares pending for transfer as on 31.03.2011 : NIL
- No. of shares pending for dematerialisation /confirmation as on 31.03.2011 : NIL

### • Shareholding Pattern as on 31.03.2011

Sl. No.	Category	No. of Shareholders	%	No. of Equity Shares	%
1.	Resident Individuals	202451	99.14	45925520	56.02
2.	Indian Companies	1156	0.57	8739823	10.66
3.	FIs/Mutual Funds/Banks	50	0.02	1325337	1.62
4.	Indian Promoters/ Directors & their relatives	31	0.02	21786671	26.57
5.	NRIs/OCBs/FIIs/FCs	315	0.15	3101208	3.78
6.	Clearing House(s) / Members	212	0.10	1105761	1.35
	<b>TOTAL</b>	<b>204215</b>	<b>100.00</b>	<b>81984320</b>	<b>100.00</b>

### • Distribution of Shareholding as on 31.03.2011

Sl. No.	No. of shares held	No. of Shareholders	%	No. of Equity Shares	%
1.	1-499	181255	88.75	9914282	12.09
2.	500-999	10678	5.23	6117039	7.46
3.	1000-4999	10754	5.27	16953913	20.68
4.	5000-9999	897	0.44	5476898	6.68
5.	10000 & Above	631	0.31	43522188	53.09
	<b>TOTAL</b>	<b>204215</b>	<b>100.00</b>	<b>81984320</b>	<b>100.00</b>