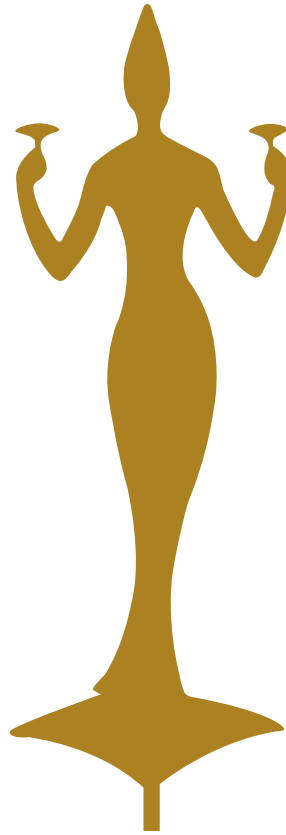


50
years



LMW®

LAKSHMI MACHINE WORKS LIMITED

Annual Report 2011-12

Lakshmi Machine Works Limited

MEMORANDUM OF ASSOCIATION

I. The name of the Company is "LAKSHMI MACHINE WORKS LIMITED".

II. The registered office of the Company will be situate in the State of Madras.

We, the several persons whose names, addresses and descriptions are subscribed, are desirous of being joined into a company, in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

Sl. No.	Name and address of Subscriber	Description and occupation	No. of equity shares taken	Signature
1	G. Sankaranarayanan 4/241, Avenue 2 Road, Chennai-600 001.	Shri G. Sankaranarayanan Merchant	101	(Sd) G. Sankaranarayanan
2	G.K. DEVARAJAN "Shree House" Avenue 2 Road, Chennai.	Shri. G. Kuppaswamy Naidu, Merchant.	101	(Sd) G.K. Devarajan
3	G.H. SUNDARAM "Rajadurai" Circuit House Road, Chennai.	Shri. G. Kuppaswamy Naidu, Merchant.	101	(Sd) H. Sundaram
4	K. RAJAGOPAL 5/135, Avenue 2 Road, Chennai.	Shri. G. Kuppaswamy Naidu, Merchant.	101	(Sd) K. Rajagopal
5	V.N. RAMACHANDRAN "Vijaya" S.A. A.T.T. Colony, Avenue 2 Road, Chennai.	Shri. K. Kuppaswamy Naidu, Merchant.	101	(Sd) V.N. Ramachandran
6	R.K. KANDASWAMY "Sindoor" Tiruchy Road, Chennai.	Shri. R. K. Kandaswamy Chennai, Merchant.	101	(Sd) R.K. Kandaswamy
7	V. RAMASWAMI 111, Uppalayar, Sengalpur.	Shri Venkataswamy Naidu, Merchant.	101	(Sd) V. Ramaswamy
8	S.R.P. PONNASWAMY, CHETTIAR "Sampath" R.S. Puram, Chennai.	Shri. S.R. Pillai Chettyar, Merchant.	101	(Sd) S.R.P. Ponnaswamy
9	H. KRISHNASWAMY, 4/575, Tiruchy Road, Uppalayar, Sengalpur.	Shri. S. Ponnaswamy Naidu, Merchant.	101	(Sd) H. Krishnaswamy
TOTAL ...			1109	

Dated: 2nd September, 1962

Witness to the Signatures
with full address

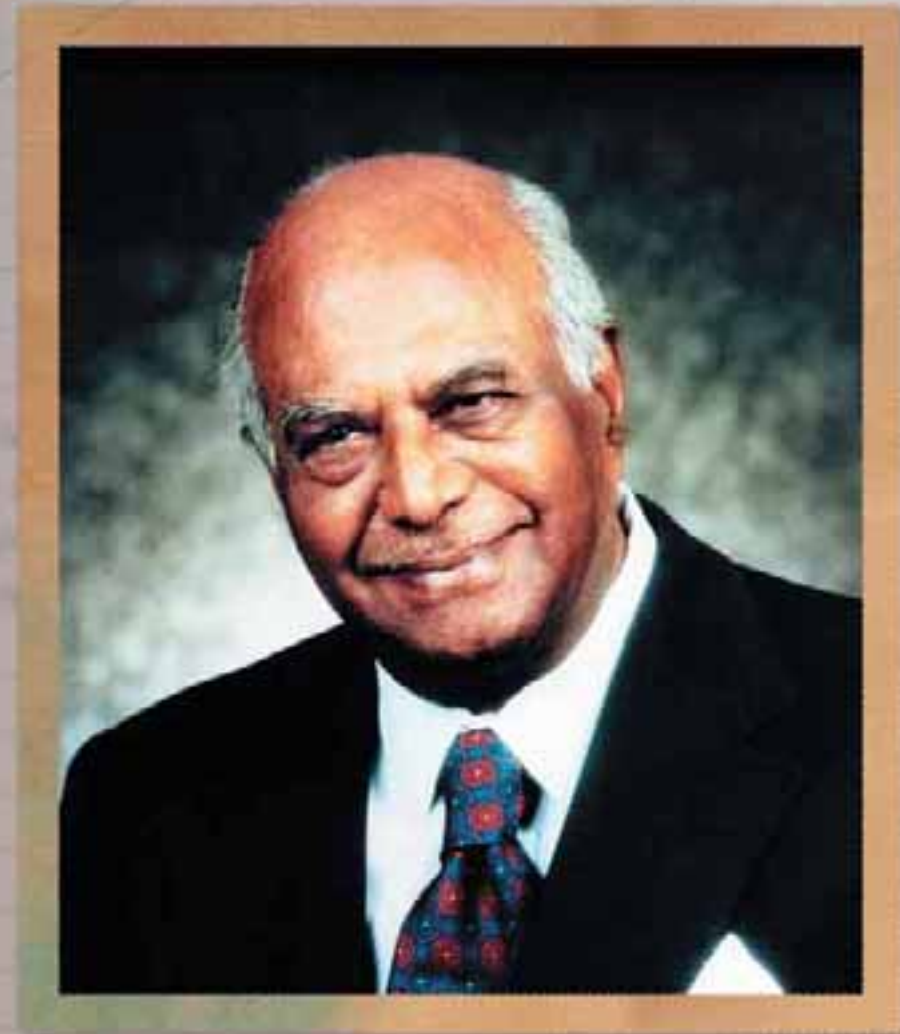
(Sd) D.V. SUBBACHAR
Chartered Accountant
"Sri Siva House"
Tangudi Bazaar Street, Chennai.

Five decades. One vision.

At Lakshmi Machine Works Limited, we have been driven by the prospect of emerging as a world-class, globally respected textile spinning machinery manufacturing company.

Through process and product innovation, relentless customer service, novel business solutions, uncompromising quality standards and shareholder wealth creation, this is what we have to show for it today. A position among the three leading textile machinery manufacturing companies in the world.

Five decades. One vision.



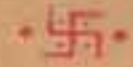
Cavalier Dr. G.K. Devarajulu (1911-1992)

Vision is the art of seeing what is invisible to others.



Dr. D. Jayavarthanavelu (1940-2010)

Visionary leadership is the capacity to transform vision into reality



At the time LMW entered the business, it was one among the crowd. Today, it is the only surviving Indian company.

Bhoomi Pooja

[Unit: 1: 2nd September, 1963]



The saga



LAKSHMI MACHINE WORKS LIMITED
Balance Sheet as at 31-12-1964.
31-12-1964
Rs.

Our first Balance Sheet

People coming to attend the inauguration.
A special train was organised for the
occasion.

Minutes of the
first Meeting of
the Board of
Directors on 10th
October, 1962.

LMW's unit 1 was inaugurated
by Sri. M. Bakthavatsalam on
29th January, 1966.

Assets	31-12-1964 Rs.
INVESTMENTS: AT COST	
Non-Trade-Quoted	
1976-77 Madras State	
Electricity Board Bonds	
of the face value of	
Rs. 1,00,000 (Market	
value Rs. 96,100/-)	96,100
Non trade-Quoted:	
1976-77 Madras State	
Electricity Board Bonds	
of the face value of	
Rs. 1,00,000/-	99,780
ASSETS, LOANS AND ADVANCES:	
Schedule	
ANNUOUS EXPENDITURE & LOSSES:	
Ordinary expenses	2,99,250
Writing commission	3,99,000
Other	
Totals: Rs.	3,95,275
	1,68,20,844

LAKSHMI MACHINE WORKS LIMITED
CERTIFICATE OF INCORPORATION IN 1962 UNDER THE COMPANY ACT, 1956

LAKSHMI MACHINE WORKS LIMITED
CERTIFICATE OF INCORPORATION IN 1962 UNDER THE COMPANY ACT, 1956

The Registrar of Companies, Madras, do hereby certify that

1. The name of the company is LAKSHMI MACHINE WORKS LIMITED.

2. The registered office of the company is situated at No. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

On 14th September, 1962
Lakshmi Machine Works
Limited was incorporated.
The certificate of
incorporation was given by
the Assistant Registrar
of Companies, and LMW
came into existence.



The prime times



Founder Chairman receives the Prime Minister Sri Jawaharlal Nehru



Founder Chairman with the Prime Minister Smt. Indira Gandhi

Success is never a destination but only a milestone reached before the next journey commences



CMD and Founder Chairman with Sri M G Ramachandran during the inauguration of TMD Unit 2

The prime times



Founder Chairman conferred with doctorate by Bharathiar University

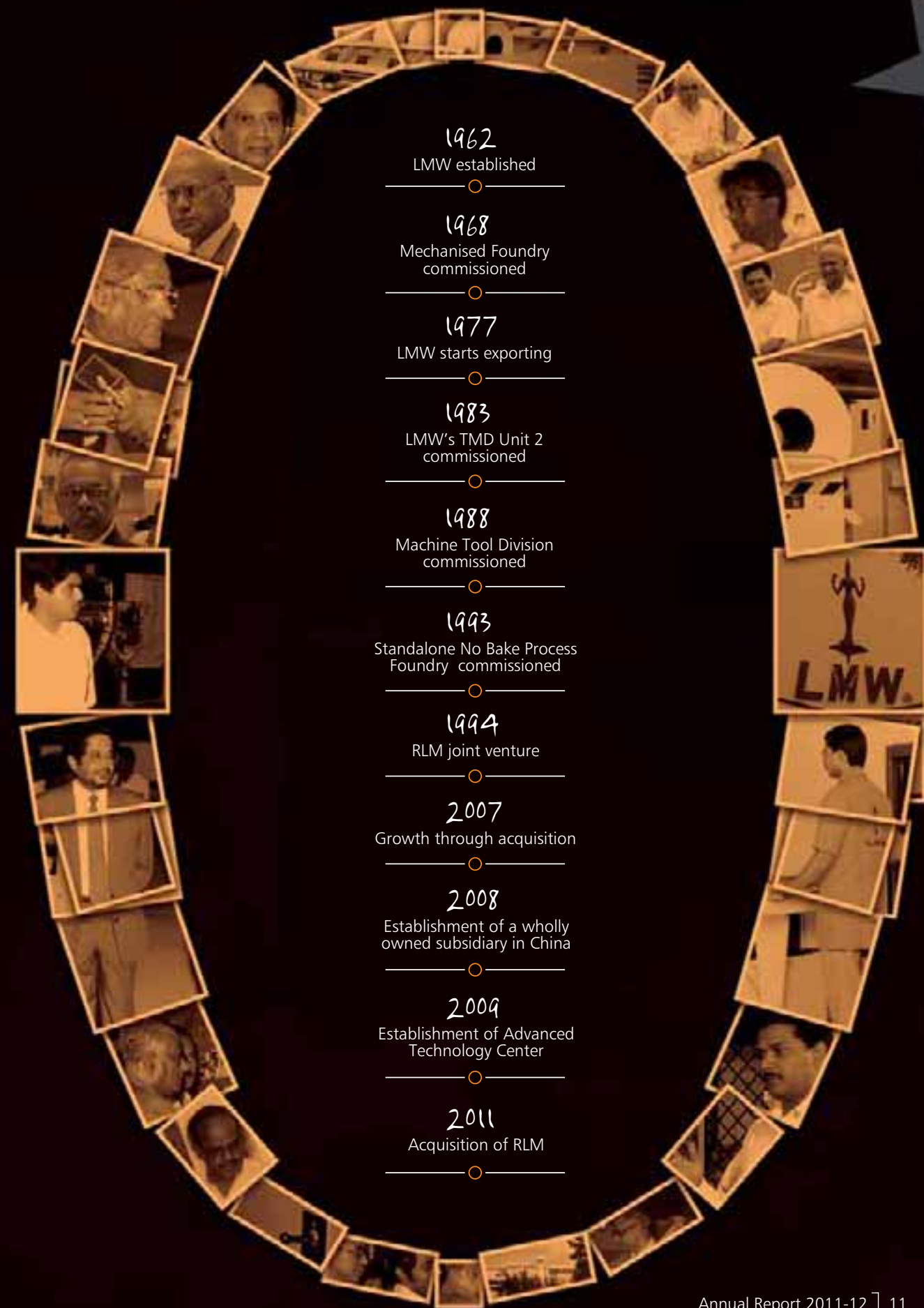
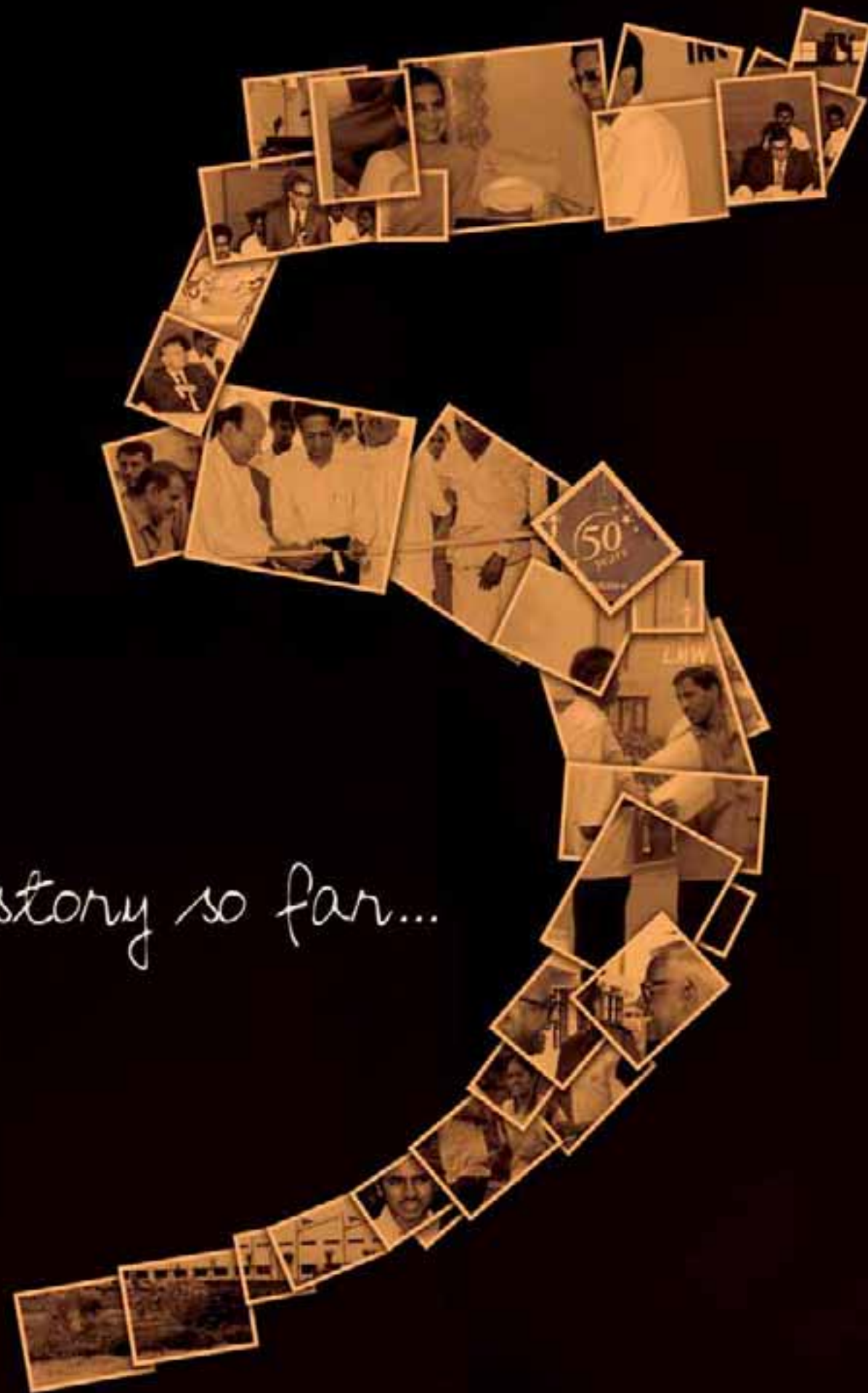


CMD conferred with Companion Membership by the Textile Institute, Manchester



CMD, as Director of RBI with other RBI Board members

The story so far...



1962

LMW established

1968

Mechanised Foundry
commissioned

1977

LMW starts exporting

1983

LMW's TMD Unit 2
commissioned

1988

Machine Tool Division
commissioned

1993

Standalone No Bake Process
Foundry commissioned

1994

RLM joint venture

2007

Growth through acquisition

2008

Establishment of a wholly
owned subsidiary in China

2009

Establishment of Advanced
Technology Center

2011

Acquisition of RLM



Five decades

Ann-mil received	Date of recd. (Rs. in L)
Rs. 1.18/-	12-11-62



An investment of Rs 500/- in 1470 LHM shares of LHM yielded a dividend of Rs 71,424/- upto 2011-12. And today, the shareholder would own 240 shares valued at Rs 48,000/-



63-67

68-72

73-77

78-82

83-87

₹ in Lacs																									
Particulars	Dec-63	Dec-64	Dec-65	Dec-66	Dec-67	Dec-68	Dec-69	Dec-70	Dec-71	Dec-72	Dec-73	Dec-74	Dec-75	Dec-76	Dec-77	Dec-78	Dec-79	Dec-80	Dec-81	Dec-82	Dec-83	Dec-84	Dec-85	Dec-86	Dec-87
Total Revenue	1.13	2.29	2.40	79.69	138.54	181.37	432.83	596.44	597.72	681.00	681.21	1215.81	1614.07	2117.02	1512.63	2579.11	3039.85	3706.10	4790.44	5443.19	6606.09	9164.83	8685.22	8468.24	10156.59
EBIDTA	1.03	1.68	0.98	-1.20	24.62	52.12	126.21	187.19	170.68	171.33	146.68	202.94	224.64	294.76	248.57	364.75	441.09	515.15	634.87	816.31	952.27	1029.38	1048.98	1111.96	1269.00
Profit after tax	0.51	0.68	-8.50	-28.32	-10.51	0.80	59.67	112.79	89.29	90.15	54.89	62.25	41.12	78.41	45.85	96.77	114.25	153.87	204.18	256.29	297.18	221.14	253.54	190.18	226.03
Cash profit	1.03	1.68	-0.66	-14.92	6.00	22.72	94.20	153.36	131.15	131.78	110.87	165.50	175.22	229.99	180.36	304.57	383.46	449.08	570.31	689.08	835.17	841.32	834.36	842.91	968.91
Dividend paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	24.60	29.68	30.47	30.47	25.39	30.47	30.47	25.39	35.55	43.18	50.80	65.02	69.09	81.28	81.28	81.28	81.28	81.28

89-93

94-98

99-03

04-08

09-12

₹ in Lacs																									
Particulars	Mar-89	Mar-90	Mar-91	Mar-92	Mar-93	Mar-94	Mar-95	Mar-96	Mar-97	Mar-98	Mar-99	Mar-00	Mar-01	Mar-02	Mar-03	Mar-04	Mar-05	Mar-06	Mar-07	Mar-08	Mar-09	Mar-10	Mar-11	Mar-12	
Total Revenue	17679.69	19753.57	28753.78	33890.62	38174.19	39606.70	51933.92	61879.93	55290.60	53086.30	42719.87	44572.51	55203.07	43964.19	53999.56	68340.65	102369.73	134459.33	194172.12	229271.15	142863.60	121904.46	188340.45	219796.01	
EBIDTA	2306.18	2645.01	3451.54	6791.95	8176.45	8449.07	10834.53	11056.94	11301.43	9551.53	7082.11	7927.62	9264.89	7064.41	7672.35	12329.72	15532.98	24723.73	37735.16	48702.66	27178.84	24638.27	34455.42	22840.13	
Profit after tax	697.19	801.39	1067.81	2138.94	2911.13	2875.44	4281.75	4296.26	2378.29	2590.17	841.23	2191.87	2739.81	1471.46	2632.42	6022.15	7333.55	14806.79	20619.76	24230.12	10693.49	10468.39	16597.97	13701.76	
Cash profit	1659.22	2107.50	3009.79	6356.72	7843.91	8275.16	10633.45	10432.65	10253.11	8802.82	5969.21	6226.89	7242.19	5411.10	6616.44	11233.35	14722.28	24379.09	37735.16	48702.66	27178.84	24638.27	34325.24	22339.40	
Dividend paid	121.92	152.39	182.87	243.83	304.79	304.79	426.70	365.75	365.75	365.75	365.75	365.75	426.71	365.75	548.63	1236.93	1855.39	3710.78	4947.70	5566.16	1855.39	1855.39	3379.95	5633.26	

Seamless Integration



Founder Chairman switches on the control panel of a Blowroom machine



Unit 1 foundry was commissioned and the first melt was poured on 11th December, 1967.



Founder Chairman inspecting the facilities at the inhouse Customer Service Department (CSD)



The Chairman in discussion with the executives at the launch of Draw Frame DO/25



CMD in discussion with the Union Minister during TEXCON Summit



CMD receiving the Apex Export Award from TMAA

50
years



A formal event to mark the Golden Jubilee Year was held on 28th March, 2012.