



LAKSHMI MACHINE WORKS LIMITED

Our Ref : Sec/270/0510/2017
Date : 14.08.2017

BSE Limited
Listing Department
Phiroze Jeejeebhoy Towers
Dalal Street, MUMBAI-400 001

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, C-1, Block-G, Bandra Kurla Complex
Bandra(E), MUMBAI - 400 051.

Dear Sirs,

Sub : Annual Report 2016-17 - compliance of Reg.34(1).

As per Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we hereby enclose copy of our Annual Report 2016-17.

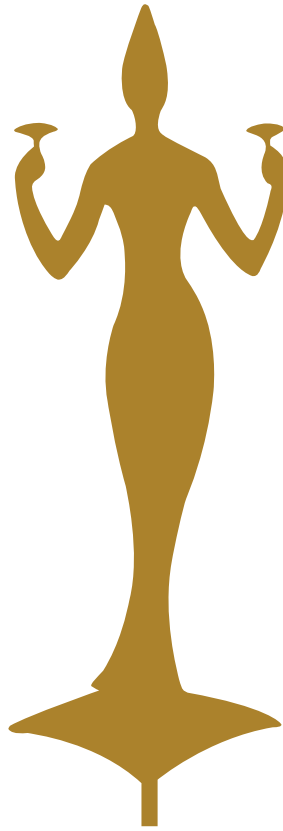
This is for your kind information

Thanking you,

Yours faithfully,
For LAKSHMI MACHINE WORKS LIMITED

C R SHIV KUMARAN
Company Secretary

cc : BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring
Rotunda Building, P.J.Towers,
Dalal Street, MUMBAI - 400 001.



LMW®

LAKSHMI MACHINE WORKS LIMITED

ANNUAL REPORT 2016-17

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The sectoral ecosystem has become progressively complex.

The competitive landscape has emerged increasingly challenging.

Business realities have changed faster than comprehension.

Despite the prevailing volatility across our customer universe, we at LMW hold steadfast on a singular ethos – remaining relevant – a belief that has and continues to pivot whatever we do.

At LMW, we refer to this philosophy as being...



//// AT WORK



VISION

To enhance customer satisfaction and our image globally, achieve exponential growth and attain leadership through world-class products and services.



MISSION

To deliver greater value to our customers by providing complete, competitive solutions through technological leadership, manufacturing excellence and dynamic responsiveness to market needs.



VALUES

- ▶ Excellence
- ▶ Integrity
- ▶ Learning and sharing
- ▶ Contribution to industry and society
- ▶ Responsiveness to market needs

BUILDING BUSINESSES

Founded in 1962, LMW is today a global player and one among the few manufacturers to provide the entire range of spinning machinery. The Company diversified into CNC Machine Tools and is one of the leading manufacturers of customised products. LMW's foundry makes Precision Castings that cater to diverse industries. In 2009, the Company leveraged its engineering expertise to develop components for the highly-complex aerospace sector.

Headquartered in Coimbatore (India), the Company's business is divided into four business verticals – Textile Machinery, Machine Tools, Castings and Aerospace.

The Company's shares are listed on the Bombay and National Stock Exchanges in India.





...IN OUR TEXTILE MACHINERY BUSINESS

TODAY'S CUSTOMER EXPECTS SIGNIFICANTLY HIGHER VALUE FROM THE LABEL THAN THE VALUE PRINTED ON THE LABEL; A SIMPLE CHANGE THAT HAS TRANSFORMED BUSINESS REALITIES ACROSS THE TEXTILE VALUE CHAIN, ESPECIALLY CHALLENGING THE SUSTAINABILITY OF PLAYERS AT THE BOTTOM OF THE CHAIN.

Even as these realities prevailed, our customers appealed - 'keep us relevant'. At LMW, we resolved to improve their business profitability.

Our customers said 'we wish to deal with a single vendor'. We added Autoconers to our product basket transforming us into a complete spinning solutions provider.

Our customers wished 'we could do with lesser people'. We automated some labour-intensive operations which could free people to be deployed in other business critical operations.

Our customers desired 'we want earlier machines to be relevant even today'.

We provided performance enhancement kits which could be retrofitted to our equipment to enhance productivity and product quality.

Our customers requested 'we want to order spares at a click of a button'.

We responded with the launch of our e-spares portal where customers from across the globe could order for spares.

Our customers aspired 'we want to move into value-added spaces'.

We successfully upgraded our equipment for manufacturing specialised yarns.



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BASKET.

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PORTAL.



...IN OUR MACHINE TOOL BUSINESS

THE GROWING NEED TO CAPTURE CUSTOMER ATTENTION HAS FORCED PLAYERS TO TREAD THE INNOVATION PATH THAT HAVE MADE PRODUCTS, ASSEMBLIES AND COMPONENTS INCREASINGLY COMPLEX; A DESIRE THAT TRANSFORMED EQUIPMENT EXPECTATION - MAKING 'COMPLEX' THE NEW NORM.

In these challenging times, our customers said 'make us more capable'.

At LMW, we are determined to make them stand out of the clutter.

'Machines need to be more productive'...was the clarion call.

We strengthened our machines with higher power; our lathes and machining centers, for instance, have optimised component making cycle time.

'Machine cannot compromise on accuracy'...was the imperative.

We partnered with some of the best minds in the world to strengthen the accuracy of critical parts of our machines – it allowed our customer to comply with reducing tolerance of their customers.

'Machine should seamlessly make complex parts'... was a growing need.

We introduced technology efficient machines that scaled component manufacturing capabilities; we developed machine for specific sectoral needs.

'Machines have to be more capable'... was another requirement.

We developed multi-capability machines; our twin spindle machine is a case in point – capable of producing two components simultaneously.



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