



LMW®

LAKSHMI MACHINE WORKS LIMITED

ANNUAL REPORT 2021-22

Opportunities are never lost.

Someone will
always take it.

The adage holds for
every enterprise.

So, when prospects
multiply, and
competition is
hot on the heels,
every business's
business is to
speed up.

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Despite the second wave of pandemic, the Indian economy experienced an upswing, with all the sectors seeing a rebound. Order inflows increased substantially as Capex plans were deliberated and decided upon.

At LMW, as the order book grew with each passing month, it brought with it a responsibility to rise to the occasion and deliver.



We built on our strengths.

We delved deep into our knowledge pool, bonded better as a team and ensured that every minute was prudently utilised.

We focused on working smarter, sweating our resources harder and increasing our throughput.

We endeavoured to deliver faster.



In a nutshell,
We adapted with Purpose

The Corporate

Founded on the basis of 'Make in India' premise, Lakshmi Machine Works Limited (LMW), over the last six decades, has focused primarily on strengthening the competitive edge of Indian textile mills.

Platformed on its engineering proficiency, LMW has created synergic business verticals, with the objective of making India globally competitive.

Known for its strong foundation and firm poise in sailing through economic and sectoral headwinds, LMW is respected as a leading wealth creator for its shareholders.



Foundry Division (FDY)

Making precision castings for global brands world over.



Textile Machinery Division (TMD)

One of the only few manufacturers of the entire range of textile spinning machinery globally.



Machine Tool Division (MTD)

A brand leader in developing and delivering customised machining solutions.



Advanced Technology Centre (ATC)

Manufactures aerospace components and assemblies for global players in the sector.



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 and manufacturing excellence that is responsive to dynamic marketing needs.



Values

- Excellence
- Integrity
- Learning and sharing
- Contribution to industry and society





Who would have expected a fiscal that started on a dismal note to almost suddenly spike and leave everyone inundated with opportunities.

The year started with an even more exacting fight to deal with and overcome the highly contagious and increasingly fatal second wave of the pandemic. Lives assumed priority over livelihood.

When it was almost certain that this fiscal would replicate the previous one and it would be a fight for survival, a resilient India fought back and flattened the pandemic curve with disciplined determination.

In almost no time, India Inc. was back in business.



Foundry Division

Solid backend made more robust

When our key customers (Textile Machinery Division and Machine Tool Division) felt the warmth of flowing orders, they turned to us for the way forward. For the ability to deliver with speed to clients depended a lot upon our speed to deliver to them – our castings formed the heart of their machines.

This transpired even as the team was just recovering from the aftermath of second wave of the pandemic. But when the demand arose, the team was up to the ask. To up efficiencies. To raise productivity. To deliver as demanded.

This is what the team did.

One, we worked closely with our customers to understand their deliveries and drew up our schedules to meet their timelines.

Two, we initiated digitisation of our key time-consuming processes. We increasingly automated processes to reduce

time and to improve end-product quality and productivity.

Three, we widened our vendor base to ensure that production continued seamlessly despite the prevailing global supply-chain issues.

Four, we reassessed our capabilities, identified areas where we need to enhance our expertise and initiated the journey accordingly.

Five, we redeployed our assets and resources judiciously which increased the average monthly output a few notches.

These efforts worked well.

Even as we delivered higher volumes to our in-house customers, we were able to widen our sectoral presence externally. In doing so, we widened our opportunity canvas.



Textile Machinery Division

Made it spin a higher output

The pendulum swung both ways in a matter of weeks. From throttling business operations owing to the second wave of the pandemic to a surge in orders just as a resilient India was flattening the curve.

The pace picked up. And almost suddenly, the order inflow increased. The tide for the textile industry had almost suddenly changed. Before we realised, our order book was up to the brim. The onus was on us... on how fast we enabled our clients to capitalise on their opportunities.

We increased the flow of components to the assembly floor. For critical components, we augmented internal capacity through de-bottlenecking and value-engineering.

We leveraged our decades-old relations with suppliers to secure higher allocation. We made sure that our assembly operations carried on uninterrupted.

We got more hands on the deck. We put them through an intense training curriculum to make them shopfloor ready.

We continued to intensify our efforts in improving efficiency and productivity at our manufacturing and assembly unit by adoption of TQM principles.

We strengthened our services team to speed up installation of machines at the customer's shopfloor.

These efforts helped in growing business and the pipeline.

Both our machine despatches and order book grew during the year.

Machine Tool Division

Right tools at the right place

Notwithstanding the second wave of the pandemic, our key customer, the automotive sector, registered a healthy growth in the first half of the fiscal. The team poured in its thoughts on new investments as pessimism gave way to enthusiasm, almost suddenly.

Nobody could envision – leave alone be prepared for this sudden transition. Having felt the winds of change, we were fast on the uptick – in reading the trend and making suitable improvements with speed to maximise the opportunity.

We created a unique lead generation and management system that enabled our sales team to focus on their tasks with more clarity.

We were in business as orders trickled in and then flowed.

Next, we needed to step up our operations and deliver. We intensified our efforts

on improving shopfloor efficiency. We undertook multiple improvement projects across our manufacturing and assembly sections, which upped productivity. We tweaked processes to save time. We introduced small automation solutions across our shopfloors to reduce operator fatigue.

We developed and institutionalised the Dynamic Buffer Management System within our operations and that of our key vendors. This unique system provided two invaluable advantages, it ensured that we seldom ran out of components and we were also able to deliver

machines faster than most others in our business space.

Understanding that machine delivery was only the start to a multi-decadal relation, we intensified our service commitment to a level unfathomed by customers - we shrunk our reach time to any customer call.

These daunting initiatives and meticulous efforts worked well.

So, when the automotive sector took a breather in second half of the fiscal, our growing non-auto sector penetration continued to keep us on our toes.





Advanced Technology Centre

‘Make in India’ strengthened

Positioning India as a globally respected engineering player has been our ethos, when we commenced operations more than five decades ago. It continues to kindle our hearts and fuel our minds. With this objective, we stepped into this niche space.

While we understand that the journey to our ambition will take some doing, we made a heartening start. When the demand ebbed owing to the pandemic-related restriction and global supply-chain disruption, we focused on enhancing our capabilities and expertise to be the first to rise when the tide turned favourable.

We introduced the operational best-practices prevalent in our other divisions to our shopfloor – it improved the entire operational life-cycle.

We brought all our functional processes on a single ERP platform. It helped in better monitoring and superior analysis.

We increased the utilisation of our metallics and our composite units alike – taking challenging assignment that tested our man-machine skill and capability.

We focused on increasing the share of value-added

components in our sales mix. For this, we selectively identified new opportunity spaces and added relevant customers; we also consolidated our presence with some others.

These endeavours helped in strengthening our foothold in the global and domestic aerospace segment. But importantly, we moved a few steps closer to our ambition of placing India on the global aerospace map.