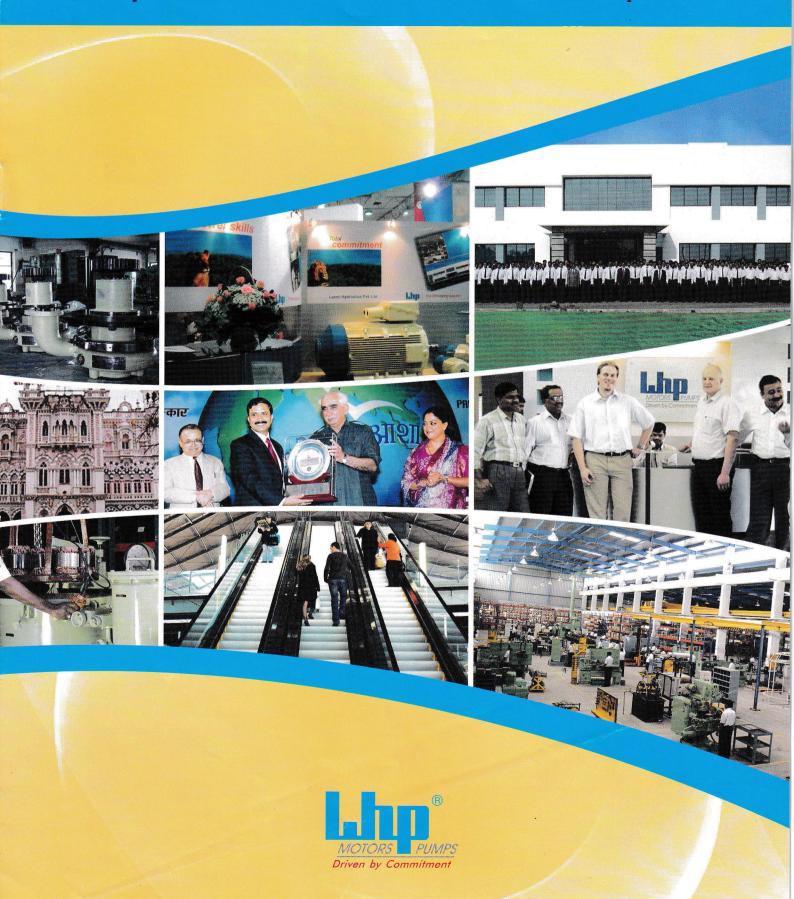
LEP UPDATE

Quarterly Newsletter

Issue 1

September 2006





The Mentor speaks

Let me say a warm hello to all of you. You know, I always enjoy talking to you – our customers and associates.

I take every opportunity of interacting with you and understanding your expectations from our company - LHP. Your presence at customer meets, seminars, exhibitions etc. always enlightens me on this.

But, these days such occasions are becoming rather rare. Our customer base is getting larger. Also, it has spread all across the country; even abroad.

So, I'm often missing that delightful experience of talking to you in person.

We've found a solution - LHP UPDATE, our newsletter. I'm glad to present it to you to let you know the developments taking place at our end. This initiative would really keep you 'update' on the various happenings at LHP. All these happenings obviously have 'you' at the center.

I'm sure, you would enjoy reading this and would certainly respond to it. Feel free to express yourself. We are eager to hear from you.

Sincerely yours,

Sharadkrishna Thakre Managing Director

Delightful facts

Remarkable achievements: 2005-06

- 20% increase in sales
- Customer satisfaction index 92%.
- Marketing offices set up at Jaipur, Bhopal, Jabalpur
- Development of 12 new motor models
- Development of 25 special purpose motors for compressor, inverter duty and other applications

Regional Marketing Heads - The winning team

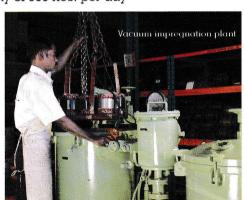


(From left) Mr. Satish Kumar, Mr. Keerthikumar, Mr. B. Nayan Chandra

Initiatives for lower cost and higher productivity

The R&D and Process Development Section at LHP have made successful attempts of cost reduction and productivity improvement. Have a quick look at their achievements:

- Brake motors without mounting flanges
- Aluminium die cast flanges B-5 for 71 frame motors
- Steel metal frames for openwell submersible pumps
- Light weight (5 to 7.5% lighter) patterns and core boxes of 200 to 315 C.I. frames
- Installation of dynamic balancing machine for rotors up to 1500 kg
- Installation of vacuum impregnation plant for motors up to 355 frame
- Installation of the third assembly line and painting booth for production capacity of 500 nos. per day
- Design and manufacture of cured varnish cleaning machine





Discipline leads to higher quality



In the era of globalisation, Indian technology and Indian products are finding a good market world over.

And LHP motors are, too, not an exception.

LHP motors are gaining acceptance in several countries across the world. Hence, to make our products more competent, we have started laying more emphasis on the world-class manufacturing practices such as Kanban, 5S, TPM and 6 Sigma. We have initiated 21 Six Sigma projects at LHP. Steps are being taken to speed up the production

and on-time deliveries of LHP motors. All manufacturing and administrative processes are getting fully computerised. Web-based purchase orders, DOL sampling inspection system for machining job-work suppliers are a few of our initiatives for serving you better. Even our operators refer to BOM on the computer system for selecting material for production.

Our attempts to refine the surface finish of motor castings has led to the appointment of a foundry expert. We are already in the process of implementing and fulfilling requirements for ISO-14001.

We are certain that all such efforts to modernise business activities reflect in the product quality which fetches in highest customer delight.









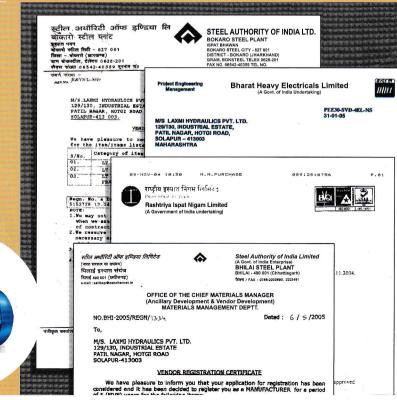


Quality reassured

At LHP, we believe in heightening the product quality continually and also getting it validated by competent recognised authorities in the field.

As a result, various models of LHP motors are being tested and approved by well-known authorities such as :

- Directorate General, Mines safety, Dhanbad
- Central Mining Research Institute, Dhanbad
- Bureau of Indian Standards, Pune
- Chief Controller of Explosives, Nagpur
- EIL (Engineers India Ltd., Delhi)
- BHEL, Ranipeth
- SAIL (Steel Authority of India Ltd.)
 - Bhilai Steel Plant
 - Rourkela Steel Plant
 - Bokaro Steel Plant
 - Visakhapatnam Steel Plant



Mega ambition - Mega



You are aware that the reach of LHP products is expanding rapidly. They are reaching worldwide. The product range is also expanding. The capacity of motors, dealers' network – everything is growing.

The demand for LHP motors is increasing day-by-day. Your expectations from us are also on the rise.

And so is our ambition. Ours is now a mega ambition to be the leader in motor-making.

Our previous manufacturing plant was, of course, well-equipped to fulfill your requirements. Yet, being set up in 1981, it did impose some limitations on the production capacity. So, with a view to giving you faster deliveries, we have set up vast, world-class, state-of-the-art manufacturing and administrative facilities in the MIDC area at Chincholi, near Solapur.

The best-equipped mega plant which is spread over an area of 1,60,000 sq.ft., has 86,000 sq. ft. built-up area.



The plant is equipped with:

- Vacuum impregnation plant
- Hydraulic dynamometer
- Heavy-duty hydraulic press machine
- Surge comparison tester
- Advanced software for electrical and mechanical designs

The ultra-modern plant also features:

- > Zero floor-to-metal contact > Zero metal-to-metal contact
- > Unidirectional process flow > On-line storage
- > Auto generation of product serial numbers

The plant comprises the manufacturing facilities, R&D, marketing and corporate office all together for better monitoring and administrative control.

The plant provides a spacious, healthy work environment and a well laid-out machine shop. The pick 'n place storage at every assembly station leads to systematic work flow & minimum operator movements, expediting the production rate.

As a result of our well-planned efforts, the manufacturing capacity of LHP motors has reached the mark of 20,000 motors per month.

Thanks to our customers because of whom we can cherish a mega ambition and have set up a mega plant.

plant











Welcome

to the LHP family

Some of our new customers

- Apollo Fibres Ltd., Hoshiarpur
- ATE Industries Ltd., Ahmadabad
- Best & Crompton Engg. Ltd., Mumbai
- , 🌙 Bhilai Ispat (I) Ltd., Durg
 - Chattisgarh Electricity Co. Ltd., Raipur
 - Godrej and Boyce Mfg. Co. Pvt. Ltd., Mumbai
 - Havells India Ltd., Alwar
 - Hindustan Blowers Industries, Pune
 - Indian Compressors, Delhi
 - Jeyaletshmi Machine Works, Coimbatore
- Jindal Steel Ltd., Hissar
 - Jindal Steel & Power Ltd., Raigarh
 - 🗻 L&T Ltd., Hyderabad
 - Meltech Cranes Pvt. Ltd., Mumbai
 - NIPC, Surat
 - Parle Products Pvt. Ltd., Mumbai
 - Ramco Industries Ltd., Kutch Dist.
 - Sangam Industries, Bhilwara
 - Shwesh Autopack Pvt. Ltd., Mumbai
 - S.S. Bindra Roller Floor Mills Pvt.
 Ltd., Delhi
 - Thysenkrupp Elevators (I) Pvt. Ltd., Mumbai
 - United White Metal Ltd., Mumbai
 - Uranium Corporation of India Ltd., Jharkhand
 - Zenith Ltd., Mumbai

List of a few more customers in the next issue .

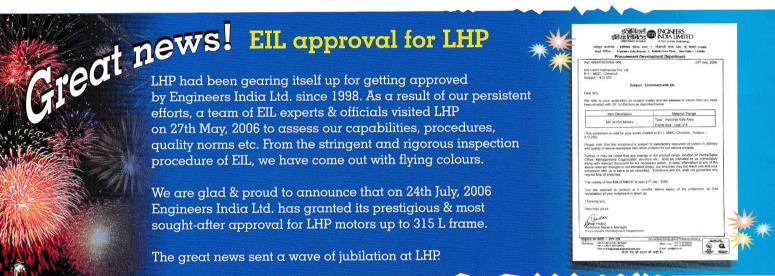
Our esteemed visitors



Delegation from Finland

Wärtsilä, a global ship-building company from Finland has selected LHP to outsource special pumps for their requirements. LHP has been associated with Wärtsilä for development of cooling water pumps for their marine / power plant diesel engines.

The Wärtsilä team, headed by Mr. Marko Ruotsala, Section Manager, accompanied by Mr. Oravinen Jukka visited LHP recently. They discussed various technical and commercial points and orders for 30 pumps was confirmed. Our projections are to supply more than 140 pumps before April, 2007. Appreciating the technical talents of LHP, Wärtsilä has made LHP one of its strategic suppliers spread all over the globe.



Enriching and interesting

There are two types of electric-motor classifications: by function or application, and by electrical configuration. In the functional method, motors are given names that indicate or suggest how and where the motor can be used. For example, gear, torque, instrument servo, and the stepping motors are functional classifications. However, some knowledge of

the electrical arrangement

The electric motor family

Split phase ermanent magnet Capacitor start Series wound Sauirrel Permanent split capacitor Shunt wound Shade pole Compound wound Two-value capacitor Wound Repulsion start Repulsion induction Shade pole Hysteresis Reluctance ermanent magnet Wound rotor Polyphase Squirrel cage Synchronous Universal motors

inside the motor housing is necessary for determining what can and cannot be done with

the motor in terms of power input and electrical control.

This chart
classifies motors
according to
electrical type.
Each division
and subdivision
of this
classification is
created out of
variations in
motor winding
and rotor
configuration.
As a result, a variety

of operating
characteristics are
available to choose from for
fitting into specific needs.

Strengthening bonds



LHP at ELECRAMA 2006



The emerging leader





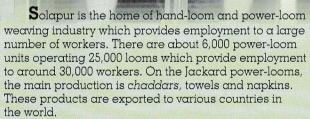
Our participation in ELECRAMA 2006 at Goregaon, Mumbai during 18th and 22nd January, 2006 was noteworthy as far as our grand product display and the customers' overwhelming response were concerned.

The LHP stall exhibited all types and models of motors and pumps which attracted the attention of quality-conscious connoisseurs.

A special technology quiz programme in the stall attracted crowds of young engineers and students.

The new image of LHP as 'An Emerging Leader' was well established on the potential, as well as present customers during ELECRAMA 2006.







In the recent past, the textile industry has been facing some difficulties, particularly on the export front. The industry has been facing the challenge bravely. It not only will retain its present market share, but also enhance it through modernization and quality control. The power-loom industry at Solapur has been the backbone of the weaving sector in our country. A strong, modern and vibrant power loom sector is essential for our country.

To foster value-addition through new designs, motifs, patterns and product development, the computer aided design system (CAD) plays a vital role. 17 CAD centers have been sanctioned in various textile centers to help the power-loom weavers in design improvement. These centers have modern equipments.

It is noteworthy that LHP manufactures a wide range of motors for the textile industry.



Just Married



An LHP team member, **Mr. Vishal Durge** (Turner) got married to **Ms. Ujjawala** on 5th June, 2006.

The entire LHP team heartily congratulates the newly-weds and wishes them a happy married life.



Exemplary employee

(of the first quarter)



Mr. A. R. Marda

Fitter (physically challenged person, unable to speak and hear)

- Punctual ◆ Multi-skilled ◆ Good behavior with superiors & subordinates
- Positive attitude Involvement in work
- Makes best pragmatic suggestions
- Thus contributes to the overall productivity

Academic excellence

Achievements of our employees' children who scored more than 85% marks in 2005-06. They were felicitated at the hands of Mrs. Manali Thakre.

- Chavan Ashraya M.
 D/o Mr. Chavan Manoj
- Devkar Priyanka P.
- Devkar Puja P.
 Ds'/o Mr. Devkar P. P.
- Gidde Ashish A. S/o Mr. Gidde A. Y.
- Irabatti Rushabh R. S/o Mr. Irabatti R. P.
- Kadam Swathi S.
 D/o Mr. Kadam S. A.
- Kamurti Komal B.
 D/o Mr. Kamurti B. S.
- Kudkyal Venkatesh S. S/o Mr. Srinivas S. K.
- Madgundi Mithali G. D/o Mr. Madgundi G. R.
- Mujawar Muskan A.
 D/o Mr. Mujawar A. A.
- Mujawar Samad A.
 S/o Mr. Mujawar A. A.
- Rathod Neha S.
 D/o Mr. Rathod S. T.
- Sakhare Vandana S. D/o Mr. Sakhare S. K.
- Salgar Abdullah R.
 S/o Mr. Salgar R. S.
- Shaikh Akib A.
 S/o Mr. Shaikh A. R.
- Shaikh Sabeer A. S/o Mr. Shaikh A. K. S.
- Shinde Karthik S. S/o Mr. Shinde S. N.
- Shinde Saraswati J.

 D/o Mr. Shinde J. M.
- Shivasharan Prashanth S.
 S/o Mr. Shivasharan S. R.
- Sulla Shivani S.
- D/o Mr. Sulla S. N.
- Valse Arkitha M.
 D/o Mr. Valse M. B.
- Jadav Vaibhav S.
 S/o Mr. Jadav S. S.



Keeping our field force abreast

Conference of all India Regional Marketing Heads



We firmly believe in keeping in touch with our sales network all the time to update their knowledge on our developments and maintain a continuous interaction on the quality and performance of our products.

The recently-held conference of all India Regional Marketing Heads was another such initiative.

The conference, held at Solapur on 22nd and 23rd April, 2006 witnessed an enthusiastic response,

as around 20 RMHs from various regions attended the conference.

Interactive sessions on different technological topics were conducted by experts. **Mr. Keerthikumar** and his team, Mr. B. Nayan Chandra & Mr. Satish Kumar won the Best Performance Award for the year 2005-06.

Special Offer for LHP customers

Mr. Keerthikumar

Pen experiences. Win appreciation.

We are making an interesting offer to you - our customers. Pen down your experiences of using LHP motors. Write within 20 words and send them to us on your letterhead along with your passport size photograph.



Also, mention applications for which LHP motors are being used & if possible, send its photograph.

Three best experiences will be published in the next issue of LHP UPDATE.

Last date for receiving your experiences is 30th October, 2006.

So, hurry up!!

Welcome to the LHP team

Regional Marketing Heads

- Mr. Sanjay Kharait Bhopal
- Mr. Amit Sharma Gwalior
- Mr. Liju Varghese Jabalpur

Corporate office & works

- Mr. S. N. Pujari Marketing (Area Mgr.)
- Mr. P. P. Kulkarni R & D
- Mr. P. R. Guttikonda Vendor Development
- Mr. S. M. Perampalli Testing
- Mr. S. G. Katti Accounts
- Mr. A. B. Shaikh Marketing
- Mr. A. R. Kharatmal P & A
- Mr. A. S. Waghmare Marketing

In the next issue

Flame-Proof motors

Know more about Flame-Proof motors.



Let's breathe in purer αir.

Environmental policy of LHP



Solapur - growing industries
Find more about them.

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