

LHP UPDATE

Quarterly Newsletter

Issue 7 January 2009

Every trough
is followed by a crest

How LHP gears up to tackle recession
and be future-ready

Flash News - LHP bags prestigious orders from a Fortune-500 giant & PSUs

Lhp[®]
MOTORS PUMPS
Driven by Commitment



The Mentor Speaks

Hello dear readers!

My hearty wishes to all of you and my warm greetings for the new year which has just dawned. I am, as always, very much delighted to talk to you through this 7th issue of our quarterly newsletter, LHP UPDATE.

LHP has been buzzing with a flurry of activities - visitors from reputed companies from all over India and abroad, new reputed clients joining the LHP family, customers' meets in Visakhapatnam and Secunderabad, in-house training programme, et al.

Recently, a special event made the LHP family proud and exhilarated. It was the beginning of our association with a Fortune-500 giant. The first lot of Flame-Proof motors was dispatched successfully to them. This is a further testimony to our highest quality motors. Good news for all of you - Solapur is now connected by air. So, now you can visit us at any time. I am only overjoyed to welcome you to witness our world-class plant.

I thought it pertinent to address the issue of quite a concern to all of us, the temporary recessionary phase. I am only expressing my views on it and how we can take it as an opportunity for achieving mutual benefits for a long term.

LHP continues to move on its well-crafted path only with the support from you - our patrons, customers and associates. Together, we can win the situation.

Sincerely yours,

Sharadkrishna Thakre
Managing Director

Customers' Meet

LHP visits

Visakhapatnam & Secunderabad

There was a tremendous response to LHP's first knock at the two prominent cities of Andhra Pradesh viz. Visakhapatnam and Secunderabad. A large number of our enthusiastic customers turned out to attend these meets, eager to know how using LHP motors in their projects can control project costs.

Visakhapatnam

The Customers' Meet was organised at the conference hall of Visakhapatnam Steel Plant on 30th June, 2008. It was co-ordinated by Mr. Srinivasa Rao, our Regional Marketing Head.

About 62 of our valuable customers participated in this meet. Mr. K. Subbarao, our General Manager (Tech.) interacted with the customers, upgrading them about the latest products, recent developments at LHP and shared his knowledge on how, by using LHP motors, they can control their project costs. Mr. S.V. Ozarde, our GM (HLM & P) enlightened our customers on the use of Hazardous location motors.

The meet was very successful and our customers responded with a positive feedback on how useful and thoroughly enjoyable the meet was. Especially, Mr. R. Reddy, DGM (E) of Visakhapatnam Steel Plant remarked that the seminar was very live and was a good exposure to LHP's technical competence.

Secunderabad

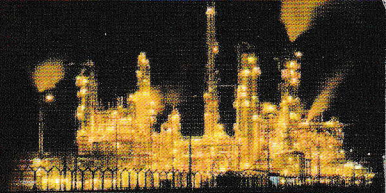
The second meet of the series was organised at Secunderabad on 29th July, 2008. The meet was co-ordinated very well by Mr. M. Krishnaprasad, our RMH. Our customers participated eagerly and gave very useful feedback. A technical presentation on VVVF motors made by Mr. K. Subbarao was appreciated by all.



Our Managing Director, Mr. Sharadkrishna Thakre himself participated in this meet. He was visibly overjoyed interacting closely with all our customers. He threw light on how LHP motors enable our customers to control their project costs. The meet was successful with an overwhelming response.

We thank all our customers for participating enthusiastically in our Customer Meets.

A fortunate association with a Fortune-500 company



Recently, LHP has added another feather in its cap by beginning a glorious association with one of the seven Fortune-500 companies in India. After passing the inspection, rigorous tests and stringent norms, the first lot of Flame-Proof motors has been dispatched successfully. This speaks volumes about the impeccable quality of our motors.

In the last couple of years, the category of Flame-Proof motors has emerged as a thrust area for LHP. We have further developed motors of capacity up to 270 HP in this category.

With this thrust, we have also successfully clinched several orders from prestigious organisations in India. In addition, we have received approvals for our motors from several renowned establishments and further approvals and certifications are in the pipeline. On the whole, we have almost perfected the art and science of making Flame-Proof motors of the highest reliability and are delivering them in the shortest possible time.

LHP Flame-Proof motors are becoming the most preferred choice for several sensitive applications in many leading process plants.

The inspection and testing were conducted in our factory itself by Senior Engineers who specially visited our plant for the entire procedure. They expressed immense satisfaction about our products and the organisation. They shared their deep knowledge with us and gave a few helpful tips to the eager-to-learn LHP team. Their remark in our guest book only reiterate what LHP is known for - "Excellence in Management and Commitment in Action".

The entire LHP family is excited about this association. We are all optimistically looking forward to a long-term association with the prestigious PSU.

LHP Flame-Proof Motors

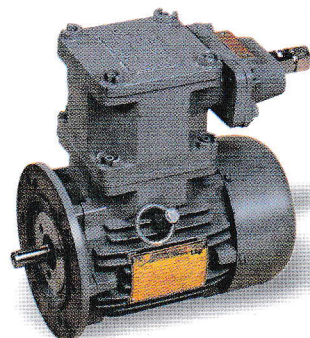


Range: 0.37 kW to 270 kW

- Versions:**
- Flame-Proof Brake Motors
 - Flame-Proof Geared Motors
 - Geared Flame-Proof Brake Motors

Features:

- Continuous operation in explosive or inflammable atmosphere in Coal mines, Chemical and Petrochem industries, Fertilizers, Pharmaceutical and Textile industries
- Suitable for horizontal and vertical mounting as per IS : 1231 & IS : 2223



Approvals:

- Tested by CIMFR, Dhanbad (ERTC, Kolkata)
- Approval certifications of the following authorities :
 - a. The Directorate General of Mines Safety (DGMS), Dhanbad
 - b. Petroleum Explosive & Safety Organisation (PESO), Nagpur
 - c. Bureau of Indian Standards

Every trough is followed by a crest

How LHP gears up to tackle recession and be

Just 4% of the budget of three years (a mere Rs. 380 Crores). What on earth is possible? No, definitely not on the earth. But, on the moon. Yes!

ISRO has spent its 3 years' 4 % budget wisely on the entire Chandrayaan Project. This feat proves that one can produce quality and scale newer heights by optimising one's resources.

This, we call a silver lining which has sprung out of these gloomy days of recession. Inspired by this, LHP is determined to focus on the crest that would follow this trough of recession, which, I believe, is here only for a short span of time.

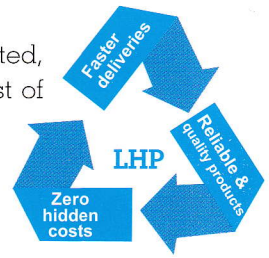
Dear Customers and Suppliers,

We, at LHP, are all geared up to face this tough situation of recession; not as a threat, but as a challenge and an opportunity. We consider this a golden opportunity to tell our customers that they stand to gain a lot from their association with us.



Recession - Not a threat but a challenge and an opportunity

It is a known fact that LHP offers committed, faster and prompt deliveries than most of the other motor manufacturers in the market. We are also known for offering reliable products, impeccable quality and zero hidden costs in the future.

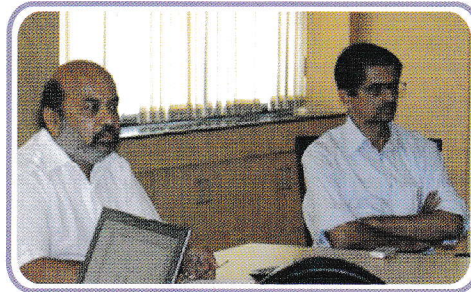


These testing times of recession might tempt you into going for cheaper, unknown suppliers in the market. But, consider the risks you might run into. Firstly, you run the risk of blocking your inventory cost due to possible delayed deliveries. Secondly, the hidden costs you might incur in the long term due to poor quality and performance may burn a hole in your pockets.

The lower price tag may well be a trap in the beginning. The price you pay for our motors may probably be a little higher, but is nevertheless a long-term investment.

So, be careful so as to see the holistic picture and long-term gains.

Visitors to LHP



Mr. Pramod G. Pulsule, KPCL, Pune



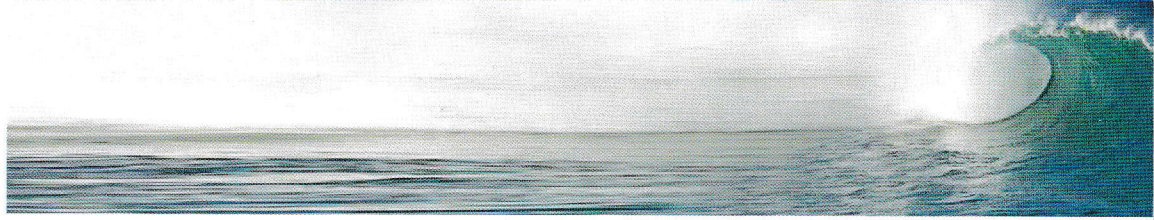
Mr. Peter Christian from Germany & Mr. Rahul Raj of Suessen Asia Ltd.



Cdr. T. P. Singh & Cdr. Rupkumar DGQA, Mumbai



Mr. Pravin Karve, Thermax Ltd.



Counteractive measures at LHP

LHP is also taking counteractive measures to tackle recession so as to offer you the highest quality products at most competitive prices and in the shortest possible time. Optimisation of resources is the key word which has taken the following forms:

- Implementing newer and cost-effective manufacturing techniques
- Widening our customer base by developing innovative products with effective designs
- Reducing overheads and controlling production expenditures
- Focusing on achieving zero-defect products
- Expanding the product range, application areas and thereby reaching out to new customers and newer markets

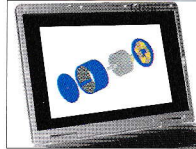
In a nutshell, we are well-investing this short time and all available resources in R & D and technological development so as to offer you - our esteemed client, a benefit which is for a long term.

The ultimate beneficiary is you.

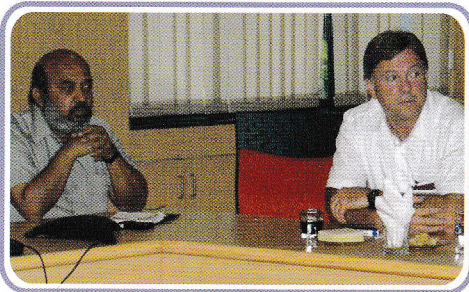
Training for our suppliers

This is also the best possible time for us to continue to strengthen our vendor base, who have always been supplying us with quality raw materials and components in time, that too, at competitive prices. LHP is also pro-active in training its suppliers to further implement cost-effective manufacturing techniques at their end, enabling us to give the edge of cost-benefit to our customers.

I am sure that the reliability of our motors and faster deliveries which are so unique to LHP, would surely make you come back to us again and again. We have to take a holistic approach in these difficult times of recession and not be forced into hasty decisions. There's always a crest which follows the trough. My warmest wishes to you all.



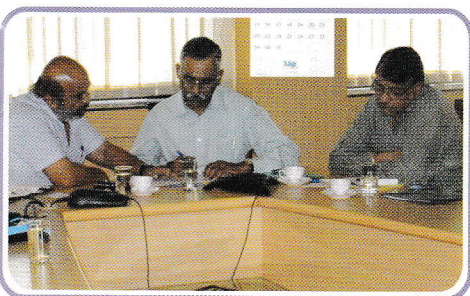
Sharadkrishna Thakre
Managing Director



Mr. Ulrich Sperling from Germany



Mr. Mahesh Deshmukh & Mr. Ravi Patil,
Lokmangal Sugar & Ethanol



Commodore P. G. George, CQAO (WE)
DGQA, Mumbai



Mr. A.K. Srivastava, ONGC, Mumbai



Mr. Mahesh Nandurkar and a team
of eight members, Thermax Ltd. (Enviro Div.)



An enlightening exposure

Visit to international exhibition in China

Our Managing Director, Mr. Sharadkrishna Thakre and GM (HLM & P), Mr. Suresh Ozarde visited the International Power Transmission & Control Exhibition held in Shanghai, China during 27th and 30th October, 2008. The main objective of this visit was to study the advanced level of competency prevailing in the international market of Industrial Electric Motors / Geared Motors.

The visit to the exhibition was a great exposure for LHP to the international scenario. Our MD and GM interacted with several leading motor manufacturers present, of whom many were from Italy and Germany. The fruitful interactions opened up several avenues for LHP to imbibe the latest technologies implemented globally. This only strengthened our passion to continuously upgrade in terms of technology to offer the best quality and most cost-effective products to our customers mainly comprising OEMs.

LHP going the SAP way

If one has the commitment and determination to accept new challenges, how long does it take to implement SAP?

52 WEEKS FLAT.



This is a fact. LHP has successfully implemented SAP and it is live within a mere 52 weeks. ERP has proved to be such an effective and powerful tool to further enhance

our service to our valuable clients. Our unwavering focus on 'Customer Delight' has been given a new dimension by this initiative.

To witness the capability of LHP reaping the benefits of SAP, the Computer Society of India, Solapur, visited our factory. Mr. Arvind Mhetre, Manager (EDP) of LHP gave an informative presentation which in detail explained and demonstrated how we can serve our clients better by using SAP. The salient benefits of ERP are as follows:

- Achievement of reduced business cycle time by disseminating information in real time
- Reduction of cost and man-hours by reducing redundant paperwork
- Faster deliveries and service
- Quicker decision making with the right information at the right time (real time) resulting in zero wastage of client's time and resources
- Integration of all the sales and marketing offices of LHP spread all over India

The discourse was attended by the top personalities from Solapur including industrialists, professionals and engineers.

LHP going the SAP way again has 'Customer Delight' as its prime focus similar to its other initiatives and it will continue to remain so.

Farmers' trusted friend

Participation in Krishi Utsav

LHP participated in the Krishi Utsav held in Solapur during the first week of December, 2008. There was an overwhelming response from thousands of visitors to our stall reflecting the immense popularity of LHP Pumps among farmers and household users.

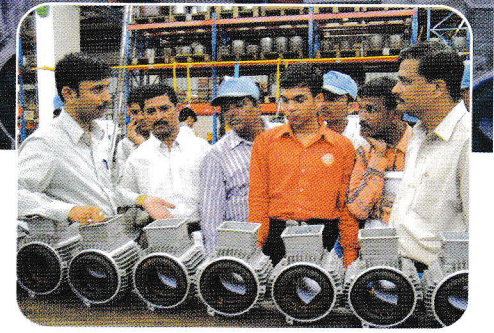
The exhibited Monoblock and Openwell Submersible Pumps (also affectionately called as 'Pan Budi') are widely used by lakhs of farmers in Maharashtra. These LHP Pumps effectively meet the varied irrigation needs of farmers typically in horticulture, mango grooves and vineyards. The long-standing popularity of LHP pumps for almost three decades now is strongly backed by their highest reliability, operability at a lower voltage, efficient after-sales service offered and the far-reaching network of LHP catering even to the remotest corners of Maharashtra. LHP has evolved to be a true and trusted friend of farmers.

The exhibit of LHP Domestic Pumps, a household name in Maharashtra, was the centre of attraction for several household users who visited our stall.



Empowering our sales and service

Product training programme



An in-house product training programme was organised for our Sales & Service Team comprising 40 members of the LHP family. They had come from our associate concerns in Solapur and Kolhapur. The training programme was conducted by our directors, Mr. Ajit Patil and Mr. Sanjiv Patil. The main focus of the programme was on upgrading the knowledge of our sales and service team about the latest products added to the product range.

Empowering them on how they can enhance the service offered to our customers was another thrust area. The feedback from our team after the programme was that it was enlightening and greatly helpful.

LHP Who's who ?



Mr. Suresh V. Ozarde

Age	: 59 years
Family status	: Married. Two sons.
Qualification / Experience	: Mechanical Engineering. 38 years.
Date of joining	: March 2007
Present designation	: General Manager (Hazardous Location Motors & Projects)
Responsibilities	: Handling projects involving motors for hazardous locations and managing foreign tie-ups
Special achievements	: Promoting vermiculture and organic food
Hobbies	: Listening to old Hindi songs & Jazz music, travelling, reading
Favourite snack	: Maharashtrian thali
Favourite celebrity	: Amitabh Bachchan and Sanjeev Kumar
Favourite holidaying spot	: Sindhudurg district
Strengths	: Undertaking difficult tasks, optimistic approach
Weaknesses	: Looking at even the minutest of detail and striving hard for perfection at each stage
Message to colleagues	: Read a lot and indulge in travelling to know about people and places. Always share your knowledge and experience with others.

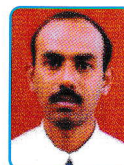
Welcome to the LHP family



A. M. Gaikwad
Engineer Electrical
(Design)



S. S. Wadkar
Computer Operator
Store



J. S. Kharat
Computer
Operator -Mktg.



S. V. Tinaikar
Asst. Mgr. - Product
Development



N. R. Khartade
Engineer - Testing



V. V. Bandi
Accounts Asst.



S. C. Rasure
Engineer - Mktg.



V. S. Awajje
Engineer - Q. A.

'I enjoy Kaizen'

The philosophy of continuous improvement



Mr. Sharadkrishna Thakre being felicitated during the event

Recently, Hero Honda organised an event, 'I enjoy Kaizen' in June, 2008. Our Managing Director, Mr. Sharadkrishna Thakre was invited to this event. Our M.D., a person always eager to upgrade his knowledge on management, was very enthusiastic to participate. He was delighted to be exposed to the philosophy of continuous improvement - Kaizen. Implementation of such philosophies in management has always been his area of interest.

Family events



Mr. & Mrs. Thakre performing Ganesh pooja during the Ganapati Festival

Birthday Wishes



Anirudha
Mr. Amol Gudge is blessed with a son on 29th November



Afroz
Mr. Sabir Shaikh is blessed with a daughter on 24th September



Srawani
daughter of Mr. K.D. Kshirsagar
16th July



Naznin
daughter of Mr. S.P. Mulani
11th August



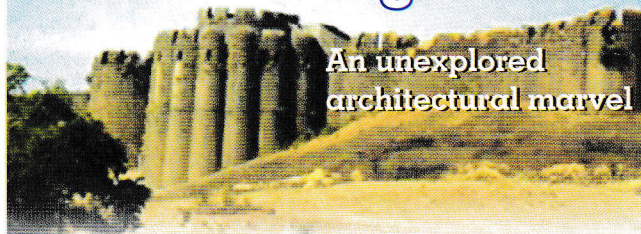
Faizan
son of Mr. S.A. Inamdar
3rd October



Pratham
son of Mr. A.R. Bhangde
3rd December

Naldurg Fort

An unexplored architectural marvel



Naldurg Fort is situated at Naldurg, about 50 km east of Solapur in Osmanabad district, Maharashtra. This imposing structure contains some fabulous examples of early Indo-Islamic architecture which are quite rare and not much known, even in Maharashtra or in the surrounding states. Naldurg Fort is an architectural marvel and the Pani Mahal, constructed beneath water, attracts tourists and researchers alike.

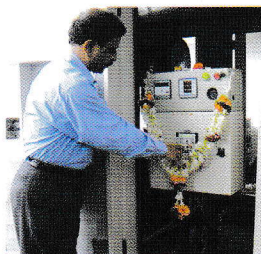
The interior portion of the fort is enclosed within ruined walls. There are many bastions in the fort. The Upli Buruj is the highest point in the fort. There are several buildings in the fort which are now in ruins. The dam constructed across the Boru River which connects the fort and the Ranamandala, is worth visiting.

Naldurg fort is famous for its waterfalls called the Nar and Madi meaning male and female respectively. When there is a good rainfall, the waterfall overflows and the area looks picturesque. Originally, it was called Yeral and belonged to the Bahmani Sultans. Then, throughout its long and turbulent history, the fort has been changing hands from its owners to the Mughal empire and finally to the Nizams of Hyderabad.



The nearest airport is at Latur near Solapur. Solapur junction railway station is the nearest access point.

Non-stop power supply for non-stop productivity



Faster & committed deliveries is a key achievement of LHP. Non-stop productivity is very crucial for this, backed by non-stop power supply. To cope with the growing power shortage, we have installed a DG set of 390 kVA, commissioned in August 2008. This is an initiative towards facilitating uninterrupted power supply and fulfilling our commitment of faster deliveries to our customers.

The LHP team wishes you a very happy, bright and prosperous New Year 2009.

Laxmi Hydraulics Pvt. Ltd.

Corporate Office : B-11, MIDC, Chincholi, Solapur - 413 255 INDIA
Tel. : +91 - 217 - 2357001 (5 Lines) Fax : +91 - 217 - 2357006
E-mail : lhpindia@lhpmotor.com Website : www.lhp.co.in

