

August 31<sup>st</sup>, 2018

To, Bombay Stock Exchange Limited Department of Corporate Services Floor 25, PJ Towers, Dalal Street Mumbai-400001 Srip Code:532740	To, National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra(E), Mumbai – 400 051 Company Code: LOKESHMACH
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Dear Sir/Madam,

**Subject: Outcome of Board Meeting**

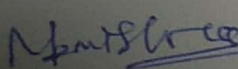
With reference to the above cited subject, we would like to bring to your kind notice that the Board of Directors of the Company in their duly held Board meeting on today i.e. 31<sup>st</sup> August, 2018 has transacted the following business items:

1. Approval of Board's Report for the year ended 31<sup>st</sup> March, 2018.
2. Approval of the Notice of 34<sup>th</sup> Annual General Meeting to be held on 29<sup>th</sup> September, 2018 Saturday at 03.00 P.M. at Jubilee Hills International Centre, Road No.-14, Hyderabad- 500 033.
3. Approval of Book closure period from 23<sup>rd</sup> September, 2018 to 29<sup>th</sup> September, 2018 (both days inclusive) for the purpose of Annual General Meeting.
3. The Cut-off date for the purpose of E-voting is 22<sup>nd</sup> September, 2018.
4. The E-voting period commences on Wednesday 26<sup>th</sup> September, 2018 at 9.00 A.M and ends on Friday, 28<sup>th</sup> September, 2018 at 5.00 P.M

The meeting commenced at 11.30 A.M and concluded at 2.00 P.M

This is for your information and record.

Yours truly,  
For Lokesh Machines Limited

  
Matru Prasad Mishra  
Company Secretary



## **34<sup>th</sup> ANNUAL GENERAL MEETING**

### **NOTICE**

NOTICE is hereby given that the Thirty Four Annual General Meeting of the Members of Lokesh Machines Limited will be held on Saturday September 29<sup>th</sup>, 2018 at 03.00 P.M at Jubilee Hills International Centre, Near Jubilee Hills Check Post, Road No. 14, Hyderabad - 500 033 Telangana to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial Year ended March 31, 2018 together with the report of the Board of Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mr K Krishna Swamy (DIN: 00840887), who retires by rotation and being eligible offers himself for re-appointment.

#### **SPECIAL BUSINESS:**

##### **3. Re-appointment of Mr. M. Lokeswara Rao as Managing Director:**

**To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 of the Companies Act, 2013 read with Schedule V thereof and the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 ( including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as per the recommendations of Nomination & Remuneration Committee and as approved by the Board of Directors, consent of the Members of the Company be and is hereby accorded to the re-appointment of Mr. M. Lokeswara Rao ( DIN: 00989447) as Managing Director of the Company for a period of 5 years with effect from 01<sup>st</sup> October, 2018 to 30<sup>th</sup> September, 2023 on the following terms and conditions.”

**Period: 5 Years from 1<sup>st</sup> October, 2018 to 30<sup>th</sup> September, 2023**

**Salary of Rs. 5,00,000/- (Rupees Five Lakh only) per month.**

**He shall be entitled to receive the following:**

- i) All expenses relating to telephone, mobile bills, and travelling, boarding, lodging and other expenses incurred for the purpose of business of the Company.
- ii) Any other allowances, benefits and perquisites, as the Board may from time to time decide in accordance with the Companies Act, 2013 & the Rules made thereunder, Income Tax Act, 1961/Rules made thereunder, FEMA Guidelines and as per RBI Regulations.

**RESOLVED FURTHER THAT** notwithstanding the above, in the absence of or inadequacy of profits in any financial year Mr. M. Lokeswara Rao be paid the above remuneration as minimum remuneration subject to the requisite approval, if any, not exceeding the maximum limits laid down in Section II (A) of Part II of Schedule V of the Companies act, 2013.

**RESOLVED FURTHER THAT** pursuant to Section 196(3) read with Schedule V of the Companies act, 2013 approval of the members of the Company be and is hereby granted for continuation of holding office of Managing Director by Mr. M.Lokeswara Rao ( DIN: 00989447) who has attained the age of 70 years , as per the above mentioned terms and conditions.

**RESOLVED FURTHER THAT** so long as Mr. M. Lokeswarar Rao functions as the Managing Director of the Company he will not be paid any fees for attending the meetings of the Board of Directors or Committee thereof.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such necessary steps as may be necessary, proper or expedient to give effect to this resolution”.

#### **4. Re-appointment of Mr. B Kishore Babu as a Whole time Director :**

**To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 of the Companies Act, 2013 read with Schedule V thereof and the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 ( including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as per the recommendations of Nomination & Remuneration Committee and as approved by the Board of Directors, consent of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Mr. B. Kishore Babu ( DIN: 00840630) as Whole-time Director of the Company for a period of 5 years with effect from 01<sup>st</sup> October, 2018 to 30<sup>th</sup> September, 2023 on the following terms and conditions.”

**Period: 5 Years from 1<sup>st</sup> October, 2018 to 30<sup>th</sup> September, 2023**

**Salary of Rs. 3,25,000/- (Rupees Three Lakh and Twenty Five Thousand only) per month.**

**He shall be entitled to receive the following:**

i) All expenses relating to telephone, mobile bills, and travelling, boarding, lodging and other expenses incurred for the purpose of business of the Company.

ii) Any other allowances, benefits and perquisites, as the Board may from time to time decide in accordance with the Companies Act, 2013 & the Rules made thereunder, Income Tax Act, 1961/Rules made thereunder, FEMA Guidelines and as per RBI Regulations.

**RESOLVED FURTHER THAT** notwithstanding the above, in the absence of or inadequacy of profits in any financial year Mr. B. Kishore Babu be paid the above remuneration as minimum remuneration subject to the requisite approval, if any, not exceeding the maximum limits laid down in Section II (A) of Part II of Schedule V of the Companies act, 2013.

**RESOLVED FURTHER THAT** so long as Mr. B. Kishore Babu functions as the Wholetime Director of the Company he will not be paid any fees for attending the meetings of the Board of Directors or Committee thereof.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such necessary steps as may be necessary, proper or expedient to give effect to this resolution”.

## **5. Re-appointment of Mr. M. Srinivas as a Whole time Director :**

**To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 of the Companies Act, 2013 read with Schedule V thereof and the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 ( including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as per the recommendations of Nomination & Remuneration Committee and as approved by the Board of Directors, consent of the Members of the Company be and is hereby accorded to the re-appointment of Mr. M. Srinivas ( DIN: 00917565) as Whole-time Director of the Company for a period of 5 years with effect from 01<sup>st</sup> October, 2018 to 30<sup>th</sup> September, 2023 on the following terms and conditions.”

**Period: 5 Years from 1<sup>st</sup> October, 2018 to 30<sup>th</sup> September, 2023**

**Salary of Rs. 3,25,000/- (Rupees Three Lakh and Twenty Five Thousand only) per month.**

### **II. He shall be entitled to receive the following:**

i) All expenses relating to telephone, mobile bills, and travelling, boarding, lodging and other expenses incurred for the purpose of business of the Company.

ii) Any other allowances, benefits and perquisites, as the Board may from time to time decide in accordance with the Companies Act, 2013 & the Rules made thereunder, Income Tax Act, 1961/Rules made thereunder, FEMA Guidelines and as per RBI Regulations.

**RESOLVED FURTHER THAT** notwithstanding the above, in the absence of or inadequacy of profits in any financial year Mr. M. Srinivas be paid the above remuneration as minimum remuneration subject to the requisite approval, if any, in terms of Section II (A) of Part II of Schedule V of the Companies act, 2013 as may be applicable to the Company from time to time,”

**RESOLVED FURTHER THAT** so long as Mr. M. Srinivas functions as the Wholetime Director of the Company he will not be paid any fees for attending the meetings of the Board of Directors or Committee thereof.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such necessary steps as may be necessary, proper or expedient to give effect to this resolution”.

## **6. Re-appointment of Mr. M. Srikrishna as a Whole time Director :**

**To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 of the Companies Act, 2013 read with Schedule V thereof and the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 ( including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as per the recommendations of Nomination & Remuneration Committee and as approved by the Board of Directors, consent of the Members of the Company be and is hereby accorded to the re-appointment of Mr M. Srikrishna (DIN: 00841388) as Whole-time Director of the Company for a period of 5 years with effect from 01<sup>st</sup> October, 2018 to 30<sup>th</sup> September, 2023 on the following terms and conditions.”

**Period: 5 Years from 1<sup>st</sup> October, 2018 to 30<sup>th</sup> September, 2023**

**Salary of Rs. 3,25,000/- (Rupees Three Lakh and Twenty Five Thousand only) per month.**

**He shall be entitled to receive the following:**

i) All expenses relating to telephone, mobile bills, and travelling, boarding, lodging and other expenses incurred for the purpose of business of the Company.

ii) Any other allowances, benefits and perquisites, as the Board may from time to time decide in accordance with the Companies Act, 2013 & the Rules made thereunder, Income Tax Act, 1961/Rules made thereunder, FEMA Guidelines and as per RBI Regulations.

**RESOLVED FURTHER THAT** notwithstanding the above, in the absence of or inadequacy of profits in any financial year Mr. M. Srikrishna be paid the above remuneration as minimum remuneration subject to the requisite approval, if any, in terms of Section II (A) of Part II of Schedule V of the Companies act, 2013 as may be applicable to the Company from time to time,”

**RESOLVED FURTHER THAT** so long as Mr. M. Srikrishna functions as the Wholetime Director of the Company he will not be paid any fees for attending the meetings of the Board of Directors or Committee thereof.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such necessary steps as may be necessary, proper or expedient to give effect to this resolution”.

#### **7. Approval for Continuation of Current term of Mr. R. Mohan Reddy as Non- Executive Independent Director of the Company**

**To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Amendment Regulations, 2018, the continuation of current term of Mr. R. Mohan Reddy (DIN: 00841038) as Non-Executive Independent Director of the Company for a period of five years ( w.e.f. from 30.09.2014 to 29.09.2019 as approved by the members of the Company on the 30<sup>th</sup> Annual general meeting of the Company held on 30<sup>th</sup> September, 2014) be and is hereby approved by way of Special Resolution.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to file necessary forms with the concerned authorities and to all acts, deeds, things required to give effect to this resolution.”

#### **8. Approval for Continuation of Mr. K. Krishna Swamy as Non- Executive Director of the Company**

**To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:**

**RESOLVED THAT** pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Amendment Regulations, 2018, sanction be and is hereby granted to Mr. K. Krishna Swamy (DIN: 00840887) director of the Company to continue and hold office of non-executive director under the current tenure of appointment notwithstanding that he has attained the age of 75 years as on 25<sup>th</sup> December, 2015.

**9. Ratification of Remuneration of Cost-Auditors:**

**To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the members be and is hereby given for payment of remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) excluding taxes as may be applicable, in addition to reimbursement of all out of pocket expenses, to M/s DZR & Co, Cost Accountants to audit the cost records maintained by the Company for the financial year ending March 31, 2018.”

By Order of the Board  
**For LOKESH MACHINES LIMITED**

**Place: Hyderabad**  
**Date: August 31, 2018**

**Matru Prasad Mishra**  
**Company Secretary**

**Registered Office:**  
**B-29, EEIE, STAGE- II,**  
**Balanagar, Hyderabad-500 037**  
**Telengana**

### **NOTES:**

- 1) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 Special Business i.e. item 3 to 9, is annexed hereto. The relevant details (including profile and expertise in specific functional areas), pursuant to Regulation 26(4) and 36(3) of the SEBI (Listing Obligations & Disclosures Requirement) and as per Secretarial Standard on General Meeting issued by the Institute of Company Secretaries of India , in respect of directors seeking re-appointment at this AGM is also annexed. The Directors have furnished the requisite consent/declarations for their appointment /re-appointment as required under Companies Act, 2013 and the Rules thereunder.
- 2) The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual –General Meeting is done away with vide notification dated 7<sup>th</sup> May, 2018 issued by Ministry of Corporate Affairs. Accordingly no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting, held on 28<sup>th</sup> September, 2017.
- 3) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting

A Proxy Form is annexed to this Report. Proxies submitted on behalf of the companies, societies, etc. must be supported by an appropriate resolution / authority, as applicable. Revenue stamp should be affixed on the proxy forms. Forms which are not stamped are liable to be considered invalid.

- 4) Members/Proxies should bring duly filled in Attendance Slips along with their copy of the Annual Report to the AGM.
- 5) The Annual Report of the company and other documents proposed to be sent through e-mail would also be made available on the Company's website.
- 6) Register of Directors and key managerial personnel and their shareholding maintained under section 170 of the companies Act, 2013 will be available for inspection by the members at the meeting.
- 7) Register of contracts or arrangements in which directors and Key managerial personnel are interested Maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the registered office of the Company
- 8) Pursuant to the provisions of Section 91 of the Companies Act, 2013, The Register of Members and Share Transfer Books of the Company will remain closed from 23<sup>rd</sup> September, 2018 to 29<sup>th</sup> September, 2018 (both days inclusive).
- 9) Pursuant to the provisions of Section 72 of the Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in prescribed Form (which will be made available on request) to the Registrar and Share Transfer Agents.

- 10) Members must quote their Folio Number/ Demat Account number and contact details such as email address, contact number etc in all correspondence with the Company/Registrar and Share Transfer Agents.
- 11) Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company
- 12) Members are requested to address all their correspondence including change of address, mandates etc. to the registrars viz. M/s. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No.31-32,Gachibowli , Financial District, Nanakramguda Serilingampally, Hyderabad - 500 008, Phone : +91 40 67161524.
- 13) The Company's Equity shares are listed at Bombay Stock Exchange Ltd and National Stock Exchange Mumbai and the company has paid the Listing Fees to the said Stock Exchange for the financial year 2017-18.
- 14) Shareholders are requested to immediately notify the REGISTRARS AND SHARE TRANSFER AGENTS or the DEPOSITORY PARTICIPANTS (in case of shares which have been dematerialised) of any change in their address and/or bank account details to ensure correct and prompt receipt of the Dividend Warrants.
- 15) Corporate Members are requested to submit a duly certified copy of the Board Resolution authorising their representative to attend and vote at the Annual General Meeting.
- 16) Members are requested to bring the duly filled attendance slip along with their copy of the annual report to the meeting.
- 17) Relevant documents and registers will be available for inspection by the members at the registered office of the company.
- 18) .In terms of circulars issued by Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. Transfer of shares, Deletion of name, Transmission of shares and Transposition of shares. Shareholders are requested to furnish copy of PAN card for all the above mentioned transactions
- 19) As per the green initiatives issued by the Ministry of Corporate Affairs, all companies are allowed to send official documents to their shareholders electronically. Henceforth, we propose to send documents like notice convening the general meetings, financial statements etc. to the email address registered with the company.

We request you to register / update your email address with your depository participant / RTA to ensure that all documents reach you on your preferred email.

20).The annual report for 2017-18 is being sent by electronic mode only to the Members Whose Email addresses are registered with the Company Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members Who have not registered their Email addresses physical copies of Annual report 2017-18 are being sent by the permitted mode.

21) The Route Map showing directions to reach the venue of the AGM is enclosed.

**22) Voting through electronic means:**

In terms of Section 108 of Companies Act, 2013 read with the Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and as per the requirement of Regulation 44 of the SEBI(Listing Obligations & Disclosures Requirements), 2015, the Company is providing the facility to its members holding shares in physical or Dematerialized form as on the cut – off date, i.e September 22<sup>nd</sup> 2018 (i.e Record date) to exercise their right to vote by electronic means on any or all of the agenda items specified in the accompanying



Notice of Annual General meeting Details of the process and manner of E-Voting along with the user id and password are being sent separately to all the members along with the notice and e-voting services provided by Karvy Computershare Private Limited ("Karvy").

The e-voting facility will be available at the link <http://evoting.karvy.com> during the following voting period:

Commencement of e-voting : From 9 A.M. on 26<sup>th</sup> September, 2018 to 5 P.M. on 28<sup>th</sup> September, 2018.

- i. E-voting shall not be allowed beyond 5 p.m on 28<sup>th</sup> September 2018. During the e-voting period, shareholders of the company, holding shares either in physical form or in dematerialised form, as on 22<sup>nd</sup> September, 2018 may cast their vote electronically.
- ii. The Company has appointed Mr. L.D. Reddy (Practicing Company Secretary), Hyderabad as Scrutinizers for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.

**The procedure and instructions for e-voting are as follows:**

The Company is pleased to provide e-voting facility to the shareholders of the Company to enable them to cast their votes electronically on the items mentioned in the Notice. The facility for voting by ballot or polling paper shall also be made available at the Annual General Meeting and the shareholders attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have already cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The Company has appointed Mr. L.D. Reddy, Practising Company Secretary as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. E-voting is optional. The e-voting rights of the shareholders / beneficial owners shall be reckoned on the equity shares held by them as on 22<sup>nd</sup> September 2018, being the Cut-off date for the purpose. The Shareholders of the Company holding shares either in dematerialised or in physical form, as on the Cut-off date, may cast their vote electronically. A person who is not a shareholder on the Cut-off date should treat this Notice for information purposes only.

**The Process and manner for Remote e-voting are as under :**

- I. Remote e-voting: In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).
  - (A) In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/Depository Participants (s)]:
    - i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
    - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
    - iii. After entering these details appropriately, click on "LOGIN".

- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVENT" i.e., 'Name of the Company' i.e. Lokesh Machines Limited
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email: I.d.reddy@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_Event No."

- (B) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participants (s)]:
  - i. E-Voting Event Number – XXXX (EVEN), User ID and Password is provided in the Attendance Slip.
  - ii. Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.
- II. Voting at AGM: The Members, who have not cast their vote through Remote e-voting can exercise their voting rights at the AGM. The Company will make necessary

arrangements in this regard at the AGM Venue. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; however those Members are not entitled to cast their vote again in the Meeting.

A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

### OTHER INSTRUCTIONS

- a. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact Mr Anandan. K. (Unit: Lokesh Machines Ltd) of Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at [evoting@karvy.com](mailto:evoting@karvy.com) or phone no. 040 – 6716 1591 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.
- b. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- c. The remote e-voting period commences on 26th September, 2018 (9.00 A.M. IST) and ends on 28th September 2018 (5.00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22<sup>nd</sup> September, 2018, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- d. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. 22<sup>nd</sup> September, 2018.
- e. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e. 22<sup>nd</sup> September, 2018 he/she may obtain the User ID and Password in the manner as mentioned below :
  - i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399  
  
Example for NSDL:  
MYEPWD <SPACE> IN12345612345678  
  
Example for CDSL:  
MYEPWD <SPACE> 1402345612345678  
  
Example for Physical:  
MYEPWD <SPACE> XXXX1234567890
  - ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - iii. Member may call Karvy's toll free number 1800-3454-001.
  - iv. Member may send an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com). However, Karvy shall endeavour to send User ID and Password to those new Members whose mail ids are available.

PROCEDURE AND INSTRUCTIONS FOR WEB CHECK-IN/ATTENDANCE  
REGISTRATION

2. Web Check- in / Attendance Registration: Members are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall. Alternatively, to facilitate hassle free and quick registration/entry at the venue of the AGM, the Company has provided a Web-Check in facility through Karvy's website. Web Check-in on the Karvy's website enables the Members to register attendance online in advance and generate Attendance Slip without going through the registration formalities at the registration counters.

Procedure of Web Check-in is as under:

- a. Log on to <https://karisma.karvy.com> and click on
- b. "Web Checkin for General Meetings (AGM/EGM/CCM)".
- c. Select the name of the company: Name of the Company
- d. Pass through the security credentials viz., DP ID/Client ID/Folio no. entry, PAN No & "CAPTCHA" as directed by the system and click on the submission button.
- e. The system will validate the credentials. Then click on the "Generate my attendance slip" button that appears on the screen.
- f. The attendance slip in PDF format will appear on the screen. Select the "PRINT" option for direct printing or download and save for the printing.
- g. A separate counter will be available for the online registered Members at the AGM Venue for faster and hassle free entry and to avoid standing in the queue.
- h. After registration, a copy will be returned to the Member.
- i. The Web Check-in (Online Registration facility) is available for AGM during e-voting Period only i.e., 26th September 2018 (9.00 A.M. IST) to 28th September 2018 (5.00 P.M. IST).
- j. The Members are requested to carry their valid photo identity along with the above attendance slip for verification purpose

By Order of the Board  
**For Lokesh Machines Limited**

**Place: Hyderabad**  
**Date: August 31, 2018**

**Matru Prasad Mishra**  
**Company Secretary**

**Explanatory Statement**  
Pursuant to Section 102(1) of Companies Act, 2013

**Item # 3**

The Shareholders at the 31st Annual General Meeting of the Company held on 28th September, 2015 had appointed Mr. M. Lokeswara Rao as the Managing Director of the Company for a period of 3 years, starting from 01st October, 2015 and ending on 30th September, 2018, on the terms and conditions of appointment contained in the said resolution.

Based on the recommendation of Nomination & Remuneration committee, the Board has vide resolution passed on 31<sup>st</sup> Aug, 2018 re-appointed of Mr. M. Lokeswara Rao as the Managing Director of the Company for a period of 5 years effective from 01st October, 2018, subject to approval of the members.

The approval of the members is being sought for the re-appointment of Mr. M. Lokeswara Rao as Managing Director of the Company for a period of 5 years effective from 01st October, 2018

Mr. M. Lokeswara Rao is a technocrat with 50 years vast experience in the machine tool industry, promoted Lokesh Machines Limited (LML). He has started his career with KCP Limited in 1965 and after a brief period joined Hindustan Machine Tools Limited (HMT) in 1966. While working at HMT for almost a decade Mr. Rao has obtained a methodical understanding and insight of the machine tool industry. The insights into the machine tool industry supplemented with the entrepreneurial abilities prompted Mr. Rao to start LML. Mr. Rao with his sheer hard work coupled with managerial abilities built up a strong team and created good facilities.

Mr. Lokeswara Rao has been an active member of Indian Machine Tool Manufacturers' Association (IMTMA) for over a decade and served as a member of the Executive Committee for six years. He has served as Chairman of the Regional Council (South) of IMTMA and was the Vice-president of the association from 2007-2009. He was also the Vice President of the Auto Component Association in Hyderabad.

He has been the Managing Director of the Company. He is a Director in M.L.R. Motors, M.L.R. Auto Ltd. and Indian Machine Tool Manufacturers Association.

Mr. M. Lokeswara Rao holds 5,53,093 shares in the Company.

Except Mr. M. Lokeswara Rao, Mr. M. Srinivas and Mr. M. Srikrishna, none of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the said resolution.

Board recommends the resolution for your approval as a Special Resolution.

**Item # 4**

The Shareholders at the 31st Annual General Meeting of the Company held on 28th September, 2015 had appointed Mr. B Kishore Babu as the Whole-time Director of the Company for a period of 3 years, starting from 01st October, 2015 and ending on 30th September, 2018, on the terms and conditions of appointment contained in the said resolution.

Based on the recommendation of Nomination & Remuneration committee, the Board approved the re-appointment of Mr. B Kishore Babu as the Whole-time Director of the Company for a period of 5 years effective from 01st October, 2018, subject to approval of members.

Mr. B Kishore Babu is a Graduate Engineer with over 39 years' experience in the field of Machine Tool Industry. He has started his career in Hindustan Machine Tools (HMT) as Trainee Engineer and later joined Lokesh Machines Ltd. As a Promoter, He has acquired all-round exposure and experience with various aspects of operations of the company right from shop floor, designs, planning, production, assembly, Purchase and application engineering for the past 20 years. As Executive Director, he is the operational head for all the divisions.

He has been the Wholetime Director of the Company and has also been the member of the Stakeholders Relationship Committee of the Board. He is a director of M.L.R. Motors and M.L.R. Auto Ltd.

Mr. B Kishore Babu holds 10,97,009 shares in the Company.

Except Mr. B Kishore Babu no Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the said resolution.

Board recommends the resolution for your approval as a Special Resolution.

#### **Item # 5**

The Shareholders at the 31st Annual General Meeting of the Company held on 28th September, 2015 had appointed Mr. M. Srinivas as the Whole-time Director of the Company for a period of 3 years, starting from 01st October, 2015 and ending on 30th September, 2018, on the terms and conditions of appointment contained in the said resolution.

Based on the recommendation of Nomination & Remuneration committee, the Board approved the re-appointment of Mr. M. Srinivas as the Whole-time Director of the Company for a period of 5 years effective from 01st October, 2018, subject to approval of the members.

Mr. M. Srinivas has 23 years experience. He is a Director (Auto Components), has been with LML for the past 23 years since completion of his M.S. in Industrial Engineering at New Jersey Institute of Technology, New Jersey, USA. He has undergone training initially in the designs and manufacture of SPMs.

He has been the Wholetime Director of the Company and has also been member of the Audit Committee of the Board. He is also a director in M.L.R. Motors Limited.

Mr. M. Srinivas holds 19,21,615 shares in the Company.

Except Mr. M. Srinivas, Mr. M. Lokeswara Rao and Mr. M. Srikrishna, none of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the said resolution.

Board recommends the resolution for your approval as a Special Resolution.

#### **Item # 6**

The Shareholders at the 31st Annual General Meeting of the Company held on 28th September, 2015 had appointed Mr. M. Srikrishna as the Whole-time Director of the Company for a period of 3 years, starting from 01st October, 2015 and ending on 30th September, 2018, on the terms and conditions of appointment contained in the said resolution.

Based on the recommendation of Nomination & Remuneration committee, the Board approved the re-appointment of Mr. M. Srikrishna as the Whole-time Director of the Company for a period of 5 years effective from 01st October, 2018, subject to approval of members.

Mr. M. Srikrishna has 19 years experience in the field of Mechanical Engineering and has been with Lokesh Machines Limited for the past 19 years since completion of Bachelor of Engineering at Osmania University and has undergone training initially in the designs and manufacture of General Purpose Machines. He is presently heading the Computerised Numerical Control (CNC) Machines Division of Lokesh Machines Limited.

He has been the Wholetime Director of the Company and has also been member of the Stakeholders Relationship Committee of the Board. He is a director in Velzone (INDIA ) Private Limited.

Mr. M. Srikrishna holds 18,12,271 shares in the Company.

Except Mr. M. Srikrishna, M. Srinivas, Mr. M. Lokeswara Rao none of the Directors , Key Managerial Personnel or their relatives are in any way concerned or interested in the said resolution.

Board recommends the resolution for your approval as a Special Resolution.

#### **Item # 7**

Mr. R. Mohan Reddy (79) as Non- Executive Independent Director of the Company was appointed on 30th September, 2014 as per the terms of the Companies act, 2013. At the time of appointment his age was approximately 75 years old.

SEBI has amended the LODR, Regulations, 2015 vide Circular dated 9th May, 2018 which require re-appointment/continuance of any Non-Executive Director who has attained the age of 75 years old to be approved by the Shareholders by way of a Special Resolution. Though Mr. R. Mohan Reddy can hold office under the erstwhile resolution, he has attained the age of 75 years during the term of his appointment. Hence this Special Resolution is placed before the shareholders.

Also the Board believes that his experience and vision will contribute to the growth of the Company and also in steering best Corporate Governance practices.

Accordingly, consent of the members is sought for passing an Special Resolution as set out at Item No. 7 of the Notice for continuation of his appointment.

Except Mr. R. Mohan Reddy None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the said resolution.

Board recommends the resolution for your approval as a Special Resolution.

#### **Item # 8**

Mr. K. Krishna Swamy (78) was appointed as non-executive director of the Company. As per the recent amended SEBI(LODR) Regulations, 2015 which requires special resolution for appointment/continuation of any non-executive director who has attained the age of 75 or more. Mr. Krishna Swamy has attained the age of 75 years during the term of his appointment. Hence this Special Resolution is placed before the shareholders.

He is working excellently and Board believes his involvement is needed for enhancing the growth of the Company.

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 8 of the Notice for continuation of his appointment.

Except Mr. K. Krishna Swamy None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the said resolution.

Board recommends the resolution for your approval as a Special Resolution.

#### **Item # 9**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. DZR& Co., Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2018 at a remuneration of Rs 50000/- as audit fee, and GST as applicable and out of pocket expenses shall be paid on actual.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 9 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2018.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the ordinary resolution set out in item No. 9 of the Notice.

The Board recommends the resolution for your approval as Ordinary Resolution.

**Additional information on Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting**

Name	Mr K. Krishna Swamy
	25-12-1940
Designation	Non Executive Director
Date of appointment	28/07/1995
Educational Qualifications	Bachelor of Technology (Mechanical)
Areas of Experience	Nearly 52 years of experience in the field of Mechanical Division.
Membership/Chairmanship of the Committees held in the company	Nil
Companies in which he / she holds Directorship	Nil
Membership/Chairmanship of the Committees held in other companies	Nil
No of Shares held in the company	12,000

Name	Mr. M lokeswarara rao	Mr.B Kishore Babu	Mr. M. Srinivas	Mr. M. Srikrishna
Date of Birth	11-02-1945	08-06-1956	21-06-1968	31-07-1971
Designation	Managing Director	Whole-time Director	Whole-time Director	Whole-time Director
Date of Appointment	17/12/1983	10/05/2002	01/10/2005	01/10/2005
Educational Qualifications	Diploma in Mechanical Engineering	Engineering Graduate	M.S. in Industrial Engineering from New Jersey Institute of Technology, USA	B. Tech from Osmania University
Areas of Experience	51 years of experience in the Machine Tool industry	38 years of experience in the field of Machine tool	22 years of experience in the field of engineering	21 years of experience in the field of Engineering
Membership or Chairmanship of the Committees held in the Company	NIL	Member of Stakeholder relationship Committee	Member of Audit Committee	Member of Stakeholder relationship Committee
Directorship held in other Companies	M.L.R Motors Ltd , M.L.R. Auto Ltd , Indian Machine Tool Manufactures Association	M.L.R Motors Ltd , M.L.R. Auto Ltd ,	M.L.R Motors Ltd ,	Velzone (India) Private Limited
No. Of Shares held in the Company	5,53,093	10,97,009	19,21,615	18,12,271



# LOKESH MACHINES LIMITED

## ROUTE MAP FOR THE 34TH ANNUAL GENERAL MEETING-29/09/2018

**Address:-**Jubilee Hills International Centre, Road No. 14, Jubilee Hills, Hyderabad, Telangana- 500 033

