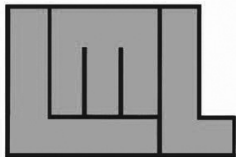


ANNUAL REPORT 2019-2020



**Lokesh
Machines Limited**

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BOARD OF DIRECTORS

Mr. M Lokeswara Rao	- Managing Director
Mr. B Kishore Babu	- Whole Time Director
Mr. M Srinivas	- Whole Time Director
Mr. M Srikrishna	- Whole Time Director
Mr. K Krishna Swamy	- Director
Mr. B R Mahesh	- Director
Mr. R Mohan Reddy	- Director
Mr. D. Balaji	- Director
Ms. M. Likhitha	- Director(Appointed w.e.f 18th Jun, 2020)
Mr. A.Vijay Kumar	- Director (Resigned w.e.f 28th Feb, 2020)
Mrs. Bhavana Rao	- Director (Resigned w.e.f 29th Nov, 2019)

STATUTORY COMMITTEES

Audit Committee

Mr. B R Mahesh	- Chairman
Mr. R Mohan Reddy	- Member
Mr. M Srinivas	- Member

Nomination & Remuneration Committee

Mr. R Mohan Reddy	- Chairman
Mr. B R Mahesh	- Member
Mr. D. Balaji	- Member

Stakeholders Relationship Committee

Mr. R Mohan Reddy	- Chairman
Mr. B Kishore Babu	- Member
Mr. M Srikrishna	- Member

Chief Financial Officer(CFO)

V. Sudhakara reddy

Company Secretary

Mr. Matru Prasad Mishra

BANKERS

Punjab National Bank
State Bank of India
Indusind Bank Limited

AUDITORS

M/s K.S Rao & Co.,
Chartered Accountants
Flat No 602,Golden Green Apartments
Irrum Manzil Colony
Hyderabad- 500 082

INTERNAL AUDITORS

M V Narayana Reddy & Co.
Chartered Accountants
Ameerpet, Hyderabad

REGISTRARS & TRANSFER AGENTS

KFin Technologies Pvt. Ltd.
Karvy Selenium Tower B,
Plot No.31-32,Gachibowli
Financial District, Nanakramaguda,
Serilingampally,
Hyderabad - 500032
Phone : +91 40 67161524
Fax : +91 40 23001153

REGISTERED OFFICE

B-29, EEIE, Stage II
Balanagar
Hyderabad – 500 037,Telangana, India
CIN: L29219TG1983PLC004319

WORKS

Temple Road, Bonthapally, Medak District, T.G	B – 25 & 36, EEIE, Stage II, Balanagar, Hyderabad, T.G	Ravalkol village, Medchal Mandal. Rangareddy Distt, T.G	Plot No 4 I, IDA Balanagar, Hyderabad T.G	Plot No D-260/I Ranjangaon Industrial Area, MIDC, Shirur, Pune, Maharashtra
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NOTICE

NOTICE is hereby given that the Thirty Sixth Annual General Meeting of the Members of Lokesh Machines Limited will be held on Monday, 28th day of September, 2020 at 11.00 A.M. through Video Conferencing ("VC") /Other Audio Visual Means ("OAVM") 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, 2020 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. **Regularisation of Appointment of Ms. M. Likhitha (DIN:08765043) as a Non-Executive (Non-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 Section 149, 161 and 164(2) of the Companies Act, 2013 and read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and as per Regulation 17(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable provisions and rules, if any, of the Companies Act, 2013 or any other law for the time being in force along with the provisions of Article of Association of the Company, Ms. Mullapudi Likhitha (DIN:08765043) who was appointed as an additional director (Non- Executive, Non-Independent Director) of the Company w.e.f 18/06/2020 and who holds office upto the date of this Annual General Meeting and whose appointment has been recommended by Nomination and Remuneration Committee be and is hereby appointed as Non-Executive (Non-Independent) Director of the Company, who shall be liable to retire by rotation."

"RESOLVED FURTHER THAT Ms. Mullapudi Likhitha (DIN: 08765043) be and is hereby to be considered as Woman Director in terms of the provision of The Companies Act 2013 and pursuant to Regulation 17(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended."

4. **Approval for Continuation of Mr. K. Krishna Swamy (DIN: 00840887) 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, approval 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 25th December, 2015."

5. 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, 2020.”

By Order of the Board
For LOKESH MACHINES LIMITED

Place: Hyderabad
Date: September 02, 2020

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

Sd/-
Matru Prasad Mishra
Company Secretary

NOTES:

- 1) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 Special Business i.e. item 3 to 5, 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 there under.
- 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 7th 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 28th September, 2017.
- 3) In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and Pursuant to the Circular No. 14/2020 dated 8th April 2020, Circular No.17/2020 dated 13th April 2020 and Circular No. 20/2020 dated 5th May 2020 issued by the Ministry of Corporate Affairs ("MCA") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India ("SEBI") and in compliance with the provisions of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), physical attendance of the Members at the AGM venue is not required and AGM can be held through video conferencing ("VC") or other audio visual means ("OAVM"). Hence, Members can attend and participate at the ensuing AGM through VC/OAVM.
- 4) Pursuant to the aforesaid Circulars, the facility to appoint proxy by Members under Section 105 of the Act to attend and cast vote for the Members is not available for this AGM as the physical attendance of Members has been dispensed with. However, Body Corporates are entitled to appoint authorized representatives as its Member to attend the AGM through VC/OAVM and participate there at and cast their votes through e-Voting.
- 5) Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
- 6) The Members can join the AGM through the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to the members on "First come First served" basis. This will not include large Shareholders (Shareholders holding 2% or more of the total number of shares of the Company as on the cut-off date as defined), Promoters, Directors, Key Managerial Personnel, Institutional Investors, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of "first come first served" basis.
- 7) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and the Circulars issued by MCA dated 8th April 2020, 13th April 2020 and 5th May 2020 the Company is providing facility of remote e-Voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as voting at the meeting will be provided by NSDL.
- 8) In line with MCA Circular No. 17/2020 dated 13th April 2020, the Notice calling the AGM has been uploaded on the website of the Company www.lokeshmachines.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing Remote e-Voting facility) i.e., www.evoting.nsdl.com.

- 9) In line with MCA Circular No. 17/2020 dated 13th April 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.lokeshmachines.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM
- 10) AGM has been convened through VC/OAVM in compliance with applicable provisions of the Act read with Circulars issued by MCA and SEBI in this regard.
- 11) 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.
- 12) 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.
- 13) 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.
- 14) Pursuant to the provisions of Section 124 read with Section 125 of the Companies Act, 2013(including any statutory modification(s) or re-enactment thereof for the time being in force) the amount of dividend remaining unpaid for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF) constituted by the Central Government. Members who have not encashed their dividend are requested to contact the RTA of the Company in this regard. The amount so transferred to IEPF cannot be claimed from the Company. Shares on which dividend remain unclaimed for seven consecutive years will be transferred to IEPF as per Section 124 of the Companies Act, 2013 and the applicable Rules. The Company is providing/ hosting the required details of unclaimed amount/ shares referred to under Section 124 of the Act on its website www.lokeshmachines.com.The said details have also been uploaded on the website of IEPF Authority and the same can be accessed through the link: www.iepf.gov.in. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. The concerned members/investors are advised to visit the web link: <http://iepf.gov.in/iepf/refund.html> or contact our RTA M/s Kfin Technology Private Limited for lodging claim for refund of shares and /or dividend from the IEPF Authority.
- 15) 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 22nd September, 2020 to 28th September, 2020 (both days inclusive).
- 16) 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.
- 17) 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.
- 18) Members are requested to update their preferred e-mail ids with the Depository Participants / Company's Registrar and Transfer Agents, which will be used for the purpose of sending the of?cial documents through e-mail in future. The RTA address is given below:

M/s. KFin Technology Private Limited,
 Karvy Selenium Tower B, Plot No.31-32,
 Gachibowli , Financial District,
 Nanakramguda Serilingampally,
 Hyderabad - 500 032,
 Phone : +91 40 67161524.

- 19) 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 in case of declaration of dividend.

- 20) Pursuant to SEBI notification dated 8th June, 2018, transfer of shares in physical mode is prohibited and mandates holding in Demat mode except in case of transmission or transposition. Accordingly members are requested convert physical holding to demat through depository participant. Members may contact Company via mail to Cosecy@lokeshmachines.com or its RTA for any assistance in the process of physical to demat shares.
- 21) Members holding shares in physical form, in their own interest, are requested to dematerialize the shares to avail the benefits of electronic holding / trading.
- 22) The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
- 23) 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 Exchanges.
- 24) Electronic copy of the Annual Report and the Notice of the AGM inter-alia indicating the process and manner of e-Voting are being sent to all the Members whose e-mail IDs are registered with the Company / DPs for communication purposes.
- 25) Members may also note that the Notice of the 36th Annual General Meeting and the Annual Report for 2019-20 will also be available on the Company's website www.lokeshmachines.com for their download, the website of the Stock Exchanges viz., BSE Limited - www.bseindia.com and National Stock Exchange of India Limited - www.nseindia.com. Other than the above, no physical/hard copies of the Notice & Annual Report will be sent to shareholders.
- 26) 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.
- 27) Relevant documents and registers will be available for inspection by the members at the registered office of the company. Members seeking any information with regard to the accounts or any other matter to be placed at the AGM, are requested to write to the Company on or before Monday, September 21, 2020 through email on cosecy@lokeshmachines.com. The same will be replied by the Company suitably.
- 28) 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.

THE INSTRUCTIONS FOR REMOTE E-VOTING AND VOTING AT THE MEETING ARE AS UNDER:

1. The remote e-Voting period begins on 25th September 2020 at 9:00 A.M. (IST) and ends on 27th September, 2020 at 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 21st September, 2020 may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
2. The details of the process and manner for remote e-Voting are explained herein below: Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>
Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?