NOTICE OF POSTAL BALLOT

Lokesh Machines Limited

Registered Office: Lokesh Machines Limited
B-29, EEIE Stage-II, Balanagar
Hyderabad-500 037
CIN: L29219TG1983PLC004319
Tel: 91-40-23079310,11,12,13
Email: cosecy@lokeshmachines.com
Website: www.lokeshmachines.com

NOTICE OF POSTAL BALLOT

[Pursuant to Section 108 & 110 of the Companies Act, 2013 read with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014,) each as amended, and the applicable Circulars issued by the Ministry of Corporate Affairs ('MCA'), Government of India, from time to time.]

INFORMATION AT A GLANCE

Details of Resolution	:	1. Redesignation of Mr. Lokeswara Rao Mullapudi (DIN: 00989447), Managing Director of the Company as a Whole Time Director with effect from December 21, 2026. 2. Redesignation and appointment of Mr. Srinivas Mullapudi (DIN: 00917565), Whole Time Director of the Company as the Managing Director of the Company with effect from December 21, 2026.
Type of Resolution	:	Special Resolution
Cut-off date for sending the notice to eligible shareholders	:	Friday, November 13, 2026
Cut-off date for determining eligibility for e-voting		
E-voting start date and time	:	Wednesday, November 18, 2026, at 09:00 A.M.(IST)
E-voting end date and time	:	Thursday, December 17, 2026, at 05:00 P.M. (IST)

NOTICE OF POSTAL BALLOT

Dear Member(s),

NOTICE is hereby given pursuant to Section 110 read with Section 108 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the Act and Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rules"), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ("SS-2"), as amended from time to time, read with the General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, and subsequent circulars issued in this regard, the latest being 09/2024 dated September 19, 2024 issued by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as "MCA Circulars"), that the resolution seeking approval for redesignation of Mr. Lokeswara Rao Mullapudi (DIN: 00989447), Managing Director, as a Whole-time Director of the Company with effect from December 21, 2026 and Redesignation and appointment of Mr. Srinivas Mullapudi (DIN: 00917565), Whole Time Director of the Company as the Managing Director of the Company with effect from December 21, 2026, are proposed to be passed as a Special Resolution by the Members of Lokesh Machines Limited ("Company") through postal ballot / e-voting vide electronic means ("remote e-voting") only.

In compliance with the aforesaid MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The communication of assent or dissent of the Members would take place only through the remote e-voting system. If your e-mail address is not registered with the Company/Depositories, please follow the process provided in the Notes to receive this Postal Ballot Notice.

An Explanatory Statement pursuant to Sections 102, 110 and other applicable provisions, if any, of the Act, pertaining to the Special Resolution setting out the material facts and reasons thereof, is appended to this Postal Ballot Notice. Pursuant to Rule 22(5) of the Rules, the Board of Directors of your Company has appointed Mr. L. Dhanamjaya Reddy (C.P No. 3752), of L.D. Reddy & Co, Practicing Company Secretaries, as the Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner.

The remote e-voting period commences from 9.00 a.m. (IST) on Wednesday, November 18, 2026, and ends at 5:00 p.m. (IST) on Thursday, December 17, 2026. The Scrutinizer will submit his report to the Chairman of the Company or any person authorized by him upon completion of the scrutiny of the votes cast through remote e-voting. The results of the Postal Ballot will be announced on or before 5:00 p.m. (IST) on Friday, December 18, 2026.

The said results along with the Scrutinizer's Report would be intimated to BSE Limited and National Stock Exchange of India Limited, where the Equity Shares of the Company are listed. The results will also be uploaded on the Company's website www.lokeshmchines.com and on the website of National Securities Depository Limited (**"NSDL"**) https://www.evoting.nsdl.com/.

SPECIAL BUSINESS:

1. **Redesignation of Mr. Lokeswara Rao Mullapudi (DIN: 00989447), Managing Director of the company as a Whole Time Director with effect from December 21, 2026.**

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 Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Schedule V thereto and the rules made thereunder, as amended from time to time, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), as amended from time to time, the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, consent of the members of the Company be and is hereby accorded to the re-designation of Mr. Mullapudi Lokeswara Rao (DIN: 00989447) from Managing Director to Whole-time Director (Key Managerial Personnel) (liable to retire by rotation) of the Company, for a further period of three years commencing from December 21, 2026 and ending on December 20, 2029, on the following terms and conditions:

Consolidated remuneration: Rs.5,00,000/- (Rupees Five Lakhs only) per month;

Business expenses: All expenses relating to telephone, mobile bills and travelling, boarding, lodging and other expenses incurred for the purpose of the business of the Company;

Other allowances, benefits and perquisites: such as medical reimbursement, club fees, leave travel concession, provident fund, gratuity, encashment of leave etc, as the Board may, from time to time, decide in accordance with the provisions of the Companies Act, 2013, the rules made thereunder, the Income-tax Act, 2025 and the rules made thereunder and other applicable laws, rules and regulations;

RESOLVED FURTHER THAT in terms of Section 196(3)(a) of the Act and Part I of Schedule V thereto, the consent of the members of the Company be and is hereby accorded for the continuation of Mr. Mullapudi Lokeswara Rao, who has attained the age of 81 years, i.e., above seventy years, as Whole Time Director of the Company for the period from December 21, 2026 till December 20, 2029, on the terms and conditions set out in the explanatory statement annexed to the Notice;

RESOLVED FURTHER THAT notwithstanding anything contained hereinabove, in the event of absence or inadequacy of profits in any financial year during the tenure of his appointment, Mr. Mullapudi Lokeswara Rao (DIN: 00989447) shall be entitled to receive the aforesaid remuneration as minimum remuneration, subject to the applicable provisions of Sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013, as amended from time to time, and subject to such approvals as may be required under applicable law.''

2. Re-designation and Appointment of Mr. Srinivas Mullapudi (DIN: 00917565), Whole Time Director of the company as the Managing Director of the company with effect from December 21, 2026

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 Sections 164, 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Schedule V thereto and the rules made thereunder, as amended from time to time, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), as amended from time to time, the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, consent of the members of the Company be and is hereby accorded to the re-designation of Mr. Mullapudi Srinivas (DIN: 00917565) from Whole-time Director (Key Managerial Personnel) to Managing Director (not liable to retire by rotation) of the Company , for a further period of three years commencing from December 21, 2026 and ending on December 20,2029 on the following terms and conditions:

Consolidated remuneration: ₹8,00,000/- (Rupees Eight Lakhs only) per month;

Business expenses: All expenses relating to telephone, mobile bills and travelling, boarding, lodging and other expenses incurred for the purpose of the business of the Company;

Other allowances, benefits and perquisites: such as medical reimbursement, club fees, leave travel concession, provident fund, gratuity, encashment of leave etc, as the Board may, from time to time, decide in accordance with the provisions of the Companies Act, 2013, the rules made thereunder, the Income-tax Act, 2025 and the rules made thereunder and other applicable laws, rules and regulations;

RESOLVED FURTHER THAT consequent upon his re-designation as Managing Director, Mr. Mullapudi Srinivas shall cease to hold the designation of Whole-time Director with effect from December 21, 2026;

RESOLVED FURTHER THAT notwithstanding anything contained hereinabove, in the event of absence or inadequacy of profits in any financial year during the tenure of his appointment as Managing Director, Mr. Mullapudi Srinivas (DIN: 00917565) shall be entitled to receive the aforesaid remuneration as minimum remuneration, subject to the applicable provisions of Sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013, as amended from time to time, and subject to such approvals as may be required under applicable law."

By Order of the Board of Directors

Sd/-
Mohit Yadav
Company Secretary & Compliance Officer
M. No: A80660

Place: Hyderabad
Date: 13.11.2026

Corporate Office:
Lokesh Machines Limited
B-29, EEIE Stage-II, Balanagar
Hyderabad-500 037
Telangana, India
CIN: L29219TG1983PLC004319
Tel: 91-40-23079310,11,12,13
Email: cosecy@lokeshmachines.com
Website: www.lokeshmachines.com

NOTES:

1. The Explanatory Statement pursuant to the provisions of Sections 102 and 110 of the Act read with Rule 22 of the Rules stating material facts and reasons for the proposed resolutions is annexed hereto and forms part of this Notice.

2. In compliance with MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to those Members whose names appear in the Register of Members or Register of Beneficial Owners as received from the Depositories/ Kfin Technologies Limited, the Company's Registrar and Transfer Agents (**"RTA"**) as on Friday, November 13, 2026 (**"Cut-off date"**) and whose e-mail addresses are registered with the Company/RTA/Depositories/Depository Participants (**"DP"**) or who will register their email address in accordance with the process outlined in this Notice.

   Members may note that this Postal Ballot Notice will also be available on the Company's website https://www.lokeshmachines.com/investment-center.php?key=shareholders-meeting, websites of the Stock Exchanges where the Equity Shares of the Company are listed i.e. BSE Limited www.bseindia.com and National Stock Exchange of India Limited www.nseindia.com and on the website of NSDL www.evoting.nsdl.com.

3. Relevant documents referred to in this Postal Ballot Notice and the Explanatory Statement are open for inspection by the Members at the Registered Office of the Company during business hours on all working days, until the last date of remote e-voting.

4. The Special Resolutions, if passed by requisite majority, will be deemed to have been passed on the last date of remote e-voting i.e. Thursday, December 17, 2026.

5. **The instructions for remote e-voting are as under:**

   i). In compliance with the provisions of Sections 108 and 110 of the Act, Rules 20 and 22 of the Rules, Regulation 44 of the SEBI Listing Regulations, MCA Circulars and SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, in relation to "e-voting facility provided by Listed Entities", the Members are provided with the facility to cast their vote electronically through the remote e-voting services provided by NSDL on the resolution set forth in this Notice.

   ii). Voting rights of the Members shall be in proportion to the shares held by them in the paid-up Equity Share capital of the Company as on Cut-off date. Only those Members whose names are recorded in the Register of Members of the Company or Register of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes by remote e-voting. A person who is not a member as on the Cut-off date should treat this Postal Ballot Notice for information purposes only. The remote e-voting period commences from 9.00 a.m. (IST) on Wednesday, November 18, 2026, and ends at 5:00 p.m. (IST) on Thursday, December 17, 2026. The e-voting module shall be disabled by NSDL thereafter and voting shall not be allowed beyond the said date and time. Once the vote on the resolution is cast by the Member, he/she shall not be allowed to change it subsequently.

iii). Notice shall clearly specify that any Member cannot vote both by post and e-voting and if he votes both by post and e-voting, his vote by post shall be treated as invalid.

iv). The details of the process and manner for remote e-voting are explained herein below:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

	3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

	3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	**Helpdesk details**
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your

email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ldreddy2016@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on: 022 - 4886 7000 or send a request to Mr. Swapneel Puppala at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cosecy@lokeshmachines.com
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cosecy@lokeshmachines.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode**.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

By Order of the Board of Directors

Sd/-
Mohit Yadav
Company Secretary & Compliance Officer
M. No: A80660

Place: Hyderabad
Date: 13.11.2026

Corporate Office:
Lokesh Machines Limited
B-29, EEIE Stage-II, Balanagar
Hyderabad-500 037
Telangana, India
CIN: L29219TG1983PLC004319
Tel: 91-40-23079310,11,12,13
Email: cosecy@lokeshmachines.com
Website: www.lokeshmachines.com

EXPLANATORY STATEMENT

Pursuant to Sections 102 and 110 of the Companies Act, 2013 ("**Act**")

The following statement sets out all material facts relating to the resolutions to be passed as mentioned in the accompanying Notice.

Mr. Lokeswara Rao Mullapudi (DIN: 00989447), being the promoter of the Company has held charge as the Managing Director of the Company right from the incorporation of the company till date. Considering company's strategic roadmap, governance requirements, and operational focus moving forward and based on the recommendation of Nomination and Remuneration Committee ("NRC") and approval of the Board, it is proposed to re-designate Mr. Lokeswara Rao Mullapudi as the Whole Time Director of the Company with effect from December 21, 2026.

Also, as part of the Company's planned succession and transition of executive management and based on the recommendation of Nomination and Remuneration Committee ("NRC") and approval of the Board, it is proposed to re-designate Mr. Srinivas Mullapudi (DIN: 00917565), presently serving as Whole-time Director of the Company, as the Managing Director with effect from December 21, 2026.

Based on the skills, competence and expertise in understanding of global business dynamics, appreciation of long-term trends, strategic choices and experience in guiding and leading management teams, developing governance practices, the Board, on the recommendation of the Nomination and Remuneration Committee, has determined that the aforesaid transition in its composition would be beneficial to the Company.

Mr. Lokeswara Rao Mullapudi (DIN: 00989447) and Mr. Srinivas Mullapudi (DIN: 00917565) had also confirmed that they are not disqualified from being appointed or re-designated as Whole Time Director and Managing Director respectively, in terms of the provisions of Section 164 of the Act and are not debarred to hold the office of a Director by virtue of any order passed by SEBI or any other authority and had given their consent for their respective re-designation.

Item # 1

The Shareholders at the 40th Annual General Meeting of the Company held on Friday, September 27, 2024, had appointed Mr. Mullapudi Lokeswara Rao as the Managing Director of the Company for a period of 3 years, starting from October 01, 2024, to September 30, 2027, on the terms and conditions of appointment contained in the said resolution.

Subject to approval of the members and based on the recommendation of Nomination & Remuneration committee, the Board vide resolution dated November 12, 2026, recommended the re-designation & remuneration of Mr. Mullapudi Lokeswara Rao as the Whole Time Director of the Company for a period of 3 years effective from December 21, 2026.

The approval of the members is being sought for the re-designation & remuneration of Mr. Mullapudi Lokeswara Rao as Whole Time Director of the Company for a period of 3 years effective from December 21, 2026.

The board recommends the resolution for your approval as a Special Resolution.

Item # 2

The Shareholders at the 40th Annual General Meeting of the Company held on Friday, September 27, 2024, had appointed Mr. Mullapudi Srinivas as the Whole-time Director of the Company for a period of 3 years, starting from October 01, 2024, to September 30, 2027, on the terms and conditions of appointment contained in the said resolution.

Subject to approval of the members and based on the recommendation of Nomination & Remuneration committee, the Board vide resolution dated November 12, 2026, recommended the re-designation, appointment & remuneration of Mr. Mullapudi Srinivas as the Managing Director of the Company for a period of 3 years effective from December 21, 2026.

The approval of the members is being sought for the re-designation, appointment & remuneration of Mr. Mullapudi Srinivas as Managing Director of the Company for a period of 3 years effective from December 21, 2026.

The board recommends the resolution for your approval as a Special Resolution.

Detailed disclosures as required under Section II, Part II of Schedule V of the Companies Act, 2013, Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard – 2 regarding the resolution No. 1 & 2 of the Notice of Postal Ballot.

I. General Information

1. Nature of Industry	The Company is engaged in the business of manufacture of Machines Tools such as CNC Machines, Special purpose machines and Auto components.
2. Date or expected date of commencement of commercial production	The Company is already in existence and is in operation since December 17, 1983.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:	Not Applicable
4. Financial performance based on given indicators:	**(In Lakhs)**

Particulars	**(2025-26)**	**(2024-25)**
Net Sales	20,856.43	22,832.16
Other Income	105.29	144.22
Total Income	**20,961.72**	**22,976.38**
Total Expenses	20,430.82	22,887.37
Profit before Exceptional items & Taxes	**530.90**	**89.01**
Tax Expenses		
Less: (i) Current Tax	13.88	-
(iii) Deferred Tax	130.87	35.33
Profits/ (Loss) after Taxes	**368.90**	**125.68**
Earnings Per Equity Share:		
Basic	**1.95**	**0.28**
Diluted	**1.95**	**0.28**

5. Foreign investments or collaborations, if any.	**Not Applicable**

II. (A) Information about the appointee- Mr. Mullapudi Lokeswara Rao

1. DIN	00989447
2. Age as on November 12, 2026	About 81 years
3. Date of First appointment on the Board	17/12/1983
4. Background details	Mr. Mullapudi Lokeswara Rao, aged about 81 years, founded Lokesh Machines Limited, is a technocrat with more than 50 years of vast experience in the machine tools industry. He 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

<table>
<tr><td></td><td>has obtained a methodical understanding and insight into the machine tools industry.</td></tr>
<tr><td>5. Past remuneration</td><td>
<table>
<tr><th>S. No.</th><th>Financial Year</th><th>Remuneration per month</th></tr>
<tr><td>1.</td><td>2025-26</td><td>500,000</td></tr>
<tr><td>2.</td><td>2024-25</td><td>500,000</td></tr>
<tr><td>3.</td><td>2023-24</td><td>500,000</td></tr>
</table>
</td></tr>
<tr><td>6. Recognition or awards</td><td>Mr. Mullapudi Lokeswara Rao has been an active member of Indian Machine Tool Manufactures' Association (IMTMA) for over a decade and served as a member of the Executive Committee for six years. He has also 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.</td></tr>
<tr><td>7. Job profile and his suitability:</td><td>Mr. Mullapudi Lokeswara Rao, being the Managing director of Lokesh Machines Limited (LML) is heading the overall management of the Company. With more than 50 years of vast experience in the machine tools industry he is continuously providing his guidance and support on the Board and his presence is crucial for the effective and efficient operations of the business. LML will benefit from his capabilities and therefore the Board wishes to re-designate him as the Whole Time Director of the Company.</td></tr>
<tr><td>8. Remuneration proposed</td><td>

Remuneration: A salary of Rs. 5,00,000/- (Rupees Five Lakhs only) per month, plus such perquisites and allowances (such as medical reimbursement, club fees, leave travel concession, provident fund, gratuity, encashment of leave, etc., as applicable per Company policy and within the limits of Schedule V of the Act) as may be determined by the Board from time to time.
Other Expenses: All expenses relating to telephone, mobile bills, and travelling, boarding, lodging and other expenses incurred for the purpose of business of the Company;

</td></tr>
<tr><td>9. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin);</td><td>The proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package for top-level managerial personnel having comparable qualifications and experience.</td></tr>
</table>

10. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any:	Apart from managerial remuneration, Mr. Mullapudi Lokeswara Rao holds 10,78,360 Equity Shares in the Company. Furthermore, Mr. M. Lokeswara Rao is related to Mr. M. Srinivas, Mr. M. Srikrishna & Ms. M. Likhitha.
11. Directorship held in other companies (excluding foreign companies & section 8 companies	• MLR Motors Limited
12. Membership/ Chairmanships of Committees of other public Companies (includes only Audit Committee and Stakeholders Relationship Committee	NIL
13. Number of Board Meetings attended during the Financial Year 2025-26	6
14. Listed Entities from which he has resigned as Director in past 3 years	NIL
II. (B) Information about the appointee- M. Srinivas	
1. DIN	00917565
2. Age as on November 12, 2026	About 58 years
3. Date of First appointment on the Board	01/10/2005
4. Background details	Mr. M. Srinivas aged about 58 years has more than 30 years' experience of working in the Machine tools industry. He holds a BE Degree in mechanical engineering from Bharathiar University and has a MS Degree in manufacturing engineering from the USA. He has been with the Company since the completion of his MS Degree and has been a Whole-time Director at Lokesh Machines Ltd. for the past 20 years. While his initial training was in the SPM Division of the Company, he is now overseeing the operations of the Auto Component Division and is also responsible for the new diversifications besides other administrative responsibilities.

<table>
<tr><td>5. Past remuneration</td><td>
<table>
<tr><th>S. No.</th><th>Financial Year</th><th>Remuneration per month</th></tr>
<tr><td>1.</td><td>2025-26</td><td>8,00,000</td></tr>
<tr><td>2.</td><td>2024-25</td><td>8,00,000</td></tr>
<tr><td>3.</td><td>2023-24</td><td>6,50,000</td></tr>
</table>
</td></tr>
<tr><td>6. Job profile and his suitability:</td><td>He is a Director (Auto Components) & has been with LML for the past 30 years. LML will benefit from his capabilities and therefore the Board wishes to re-designate him as the Whole-time Director of the Company.</td></tr>
<tr><td>7. Remuneration proposed</td><td>• Remuneration: A salary of Rs. 8,00,000/- (Rupees Eight Lakhs only) per month, plus such perquisites and allowances (such as medical reimbursement, club fees, leave travel concession, provident fund, gratuity, encashment of leave, etc., as applicable per Company policy and within the limits of Schedule V of the Act) as may be determined by the Board from time to time.

• Other Expenses: All expenses relating to telephone, mobile bills, and travelling, boarding, lodging and other expenses incurred for the purpose of business of the Company;</td></tr>
<tr><td>8. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin);</td><td>The proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package for top-level managerial personnel having comparable qualification and experience.</td></tr>
<tr><td>9. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any:</td><td>Apart from managerial remuneration and rent for land and building, Mr. M. Srinivas holds 26,16,005 Equity Shares along with 8,37,000 Warrants convertible into Equity Shares in the Company. Mr. M. Srinivas is related to Mr. M. Lokeswara Rao, Mr. M. Srikrishna & Ms. M. Likhitha.</td></tr>
<tr><td>10. Directorship held in other companies (excluding foreign companies & section 8 companies</td><td>• MLR Motors Limited
• Genesis Defence Private Limited</td></tr>
</table>

11. Membership/ Chairmanships of Committees of other public Companies (includes only Audit Committee and Stakeholders Relationship Committee	• NIL
12. Number of Board meetings attended during the Financial Year 2025-26	5
13. Listed Entities from which he has resigned as Director in past 3 years	NIL

By Order of the Board of Directors

Sd/-
Mohit Yadav
Company Secretary & Compliance Officer
M. No: A80660

Place: Hyderabad
Date: 13.11.2026

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