

March 06, 2026

**To
BSE Limited
Department of Corporate Services
Floor 25, PJ Towers,
Dalal Street, Mumbai- 400001**

**To
National Stock Exchange of India Limited
Listing Department
Plot No. C/1, G Block, Exchange Plaza,
Bandra Kurla Complex, Bandra(E),
Mumbai- 400051**

Scrip Code: 532740

Company Code: LOKESHMACH

Dear Sir/Madam,

Sub: Board comments on fine levied by the Exchanges (BSE and NSE)-reg

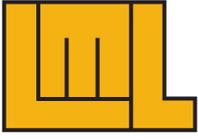
This is with reference to the letter issued by the National Stock Exchange of India Limited (“NSE”) and the email received from BSE Limited (“BSE”) dated February 27, 2026), intimating the levy of fines for non-compliance with Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) relating to the composition of the Board of Directors for the quarter ended 31.12.2025. The said non-compliance and levy of fines were duly intimated to both NSE and BSE on February 28, 2026.

As advised by the Exchanges, the matter was placed before the Board of Directors at its meeting held on March 06, 2026. The Board deliberated upon and noted the instance of non-compliance with respect to the composition of the Board and the consequent fines imposed by the Exchanges.

In this regard, the Board noted that Lokesh Machines Limited is engaged in the manufacture of small arms and is governed by the provisions of the Arms Act, 1959 read with the Arms Rules, 2016 (as amended from time to time). The Company is mandatorily required to comply with the directions, advisories, and approvals issued by the Ministry of Home Affairs (“MHA”), Government of India. As per the applicable statutory framework and MHA advisories, prior approval of the MHA is required for any change in the directorship of the Company.

Accordingly, the Board observed that the temporary non-compliance with Regulation 17(1) of the SEBI Listing Regulations arose solely due to the mandatory requirement of obtaining prior approval from the Ministry of Home Affairs, Government of India, which is beyond the control of the Company.

In view of the above, the Board advised the management to submit a waiver application to the Stock Exchanges, most respectfully requesting them to kindly take note of the statutory limitations imposed on the Company under the Arms Rules, 2016 and the MHA advisories, and to grant relief from the penalties levied under the SEBI Listing Regulations for the aforesaid temporary non-compliance.



The Company has already applied seeking waiver of the penalty amounting to ₹2,41,900/- each levied by BSE Limited and the National Stock Exchange of India Limited, respectively, in accordance with the Policy for Exemption of Fines levied under the SEBI SOP Circular. The said application is currently under process.

The Board reiterates its continued commitment to high standards of corporate governance and compliance with all applicable regulatory requirements.

The above information will also be available on the website of the Company at www.lokeshmachines.com

This is for your information and record.

Thanking you,

**Yours faithfully,
For Lokesh Machines Limited**

**P. Kodanda Rami Reddy
Company Secretary & Compliance Officer**

Encl.: a/a