Lokesh
Machines Limited

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Hyderabad - 500 037. A.P. INDIA.
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May 25, 2013

National Stock Exchange of India Limited
Exchange Plaza,
Bandra- Kurla Complex,
Bandra (E),
Mumbai – 400 051
Company Code: **LOKESHMACH**

Dear Sir,

Sub: Outcome of Board Meeting

This is to inform you that the meeting of the Board of Directors of the Company In their just concluded meeting have considered and approved the following:

1. The Statement of Audited Financial Results for the quarter ended March 31st, 2013 was approved. A copy of the Results is enclosed

2. The Statement of Audited Financial Results for the Year ended March 31st, 2013 was approved. A copy of the Results is enclosed

3. The Board have recommended a Final dividend of 7.5% i.e Rs.0.75/- on face value of Rs.10/- each.

You are requested to take the same on record.

Thanking you,

Yours truly,
For **Lokesh Machines Limited**

M. LOKESWARA RAO
MANAGING DIRECTOR

Encl.: as above

Lokesh Machines Ltd

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2013

AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED MARCH 31, 2013

Rs.in Lakhs

Sl. No	PARTICULARS	3 months ended	3 months ended	3 months ended	Year ended	Year ended
		31.03.13 (Audited)	31.12.12 (Un Audited)	31.03.2012 (Un Audited)	31.03.13 (Audited)	31.03.12 (Audited)
1	**Income From operations**					
	(a) Net Sales / Income from Operations (Net of excise duty)	**3,904.56**	3,295.50	4,708.58	**13,933.57**	16,296.57
	(b) Other Operating Income	-	-	-	-	-
	Total Income from operations (net)	**3,904.56**	3,295.50	4,708.58	**13,933.57**	16,296.57
2	**Expenses**					
	a. Cost of materials consumed	**1,684.26**	1,361.60	2,633.18	**6,560.07**	9,058.64
	b. Purchase of stock-in-trade	-	-	-	-	-
	c.Changes in inventories of finished goods, work-in-progress and stock-in-	**108.16**	(21.97)	(360.00)	**(461.47)**	(1,230.63)
	d. Employee benefits expense	**653.19**	596.34	773.70	**2,457.46**	2,755.76
	e. Depreciation and amortisation	**230.69**	196.93	151.49	**961.15**	845.73
	f. Other expenses (Any item exceeding 10% of the total expenses relating to continuing operations to	**331.18**	175.36	316.57	**797.70**	863.62
	g. Other Manufacturing Expenses	**639.49**	357.64	537.38	**1,823.43**	1,868.38
	h. Less Capative Consumption	**(290.12)**	-	(328.66)	**(290.12)**	(438.66)
	Total expenses	**3,356.85**	2,665.90	3,723.66	**11,848.22**	13,722.84
3	Profit from operations before other Income, finance costs & exceptional	**547.71**	629.60	984.92	**2,085.35**	2,573.73
4	Other Income	**28.81**	48.07	13.10	**149.19**	185.92
5	**Profit / loss from ordinary activities before finance costs and exceptional items (3+4)**	**576.52**	677.67	998.02	**2,234.54**	2,759.65
6	Finance costs	**482.81**	421.88	403.15	**1,804.47**	1,512.23
7	**Profit / loss from ordinary activities after finance costs but before exceptional items (5+6)**	**93.71**	255.79	594.87	**430.07**	1,247.42
8	Exceptional Items	-	279.45	-	**279.45**	-
9	**Profit / (Loss) from ordinary activities before Tax (7 + 8)**	**93.71**	(23.66)	594.87	**150.62**	1,247.42
10	Tax Expense	**35.46**	(18.51)	288.75	**44.34**	487.59
11	**Net Profit / (Loss) from ordinary activities after Tax (9 +10)**	**58.25**	(5.15)	306.12	**106.28**	759.83
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	**Net Profit / (Loss) for the period**	**58.25**	(5.15)	306.12	**106.28**	759.83
14	Share of profit / (loss) of associates*		-	-	-	-
15	Minority interest*		-	-	-	-
16	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of	**58.25**	(5.15)	306.12	**106.28**	759.83
17	Paid up equity share capital (Face value of Rs.10 each)	**1,177.74**	1,177.74	1,177.74	**1,177.74**	1,177.74
18	Reserves excluding Revaluation Reserves as per balance sheet of		-			-

19.i	**Earnings Per Share (EPS) (before extraordinary items)**	0.49	(0.04)	2.60	0.90	6.45
	(of Rs. 10/- each) (not annualised):					
	(a) Basic	0.49	(0.04)	2.60	**0.90**	6.45
	(b) Diluted	0.49	(0.04)	2.60	**0.90**	6.45
19.ii	**Earnings Per Share (EPS) (after extraordinary items)**	0.49	(0.04)	2.60	**0.90**	6.45
	(of Rs. 10/- each) (not annualised):					
	(a) Basic	0.49	(0.04)	2.60	**0.90**	6.45
	(b) Diluted	0.49	(0.04)	2.60	**0.90**	6.45
A	**PARTICULARS OF SHAREHOLDING**					
1	Public Shareholding					
	- Number of Shares	**5,234,125.00**	5,246,980	**5,246,980.00**	**5,234,125.00**	5,246,980
	- Percentage of shareholding	**44.44**	44.55	**44.55**	**44.44**	44.55
2	Promoters and Promoter Group					
	a) Pledged / Encumbered					
	- Number of shares	**4,891,225**	5,019,225	4,530,903	**4,891,225**	4,530,903
	- Percentage of shares (as a % of the total shareholding of promoter and promoter Group)	**74.75**	76.86	69.38	**74.75**	69.38
	- Percentage of shares (as a % of the total share capital of the company)	**41.53**	42.62	38.48	**41.53**	38.48
B	b) Non - encumbered					
	- Number of shares	1,652,050	1,511,195	1,240,260	1,652,050	1,240,260
	- Percentage of shares (as a % of	25.24	23.14	30.62	25.24	30.62
	- Percentage of shares (as a % of the total share capital of the company)	14.02	12.83	16.97	14.02	16.97
	- Percentage of shares (as a % of the total share capital of the company)	**12.83**	15.80	11.85	**12.83**	11.85

	Particulars	6 months ended (31-03-2013)
B		**INVESTOR COMPLAINTS**
	Pending at the beginning of the quarter	NIL
	Received during the quarter	Three complaints was recerived
	Disposed of during the quarter	Three complainta was recerived and resolved during the quarter
	Remaining unresolved at the end of the quarter	NIL

BALANAGAR * LOKESH MACHINES LIMITED * Hyderabad

Segment-wise Revenue, Results and Capital employed under Clause 41 of the Listing Agreement

Rs. In Lakhs

	Particulars	3 months ended 31.03.13 (Audited)	3 months ended 31.12.12 (Un Audited)	3 months ended 31.03.2012 (Un Audited)	Year ended 31.03.13 (Audited)	Year ended 31.03.12 (Audited)
1	**Segment Revenue**					
	a) Machinery Division	2,614.00	2,021.10	3,019.99	8,669.41	10,105.93
	b) Components Division	1,290.56	1,274.40	1,688.59	5,264.16	6,190.64
	c) Unallocated	-	-	-	-	-
	TOTAL	**3,904.56**	**3,295.50**	**4,708.58**	**13,933.57**	**16,296.57**
	Less : Inter Segment Revenue	-	-	-	-	-
	Net Revenue from Operations	**3,904.56**	**3,295.50**	**4,708.58**	**13,933.57**	**16,296.57**
2	**Segment Results:**					
	Profit before Interest & Tax					
	a) Machinery Division	539.18	312.82	984.34	1,451.12	2,096.13
	b) Components Division	392.99	493.05	349.16	1,504.43	1,406.35
	c) Unallocated	-	-	-	-	-
	TOTAL	**932.17**	**805.87**	**1,333.50**	**2,955.55**	**3,502.48**
	Less: Interest	482.81	701.33	403.15	2,083.92	1,512.23
	Other unallocable Expenses net of Income	355.64	128.20	335.48	721.01	742.83
	TOTAL PROFIT BEFORE TAX	**93.72**	**(23.66)**	**594.87**	**150.62**	**1,247.42**
3	**Capital Employed**					
	a) Machinery Division	5718.26	5493.50	5,804.30	5718.26	5,791.73
	b) Components Division	4077.59	4391.54	4,054.60	4077.59	4,001.19
	c) Unallocated					-
	TOTAL	**9,795.85**	**9,885.04**	**9,858.90**	**9,795.85**	**9,792.92**

1. The Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at their Meeting held on May 25, 2013 the Audited financial results for the quarter ended March 31, 2013 has been carried out by the statutory auditors of the Company.

2. There have been no outstanding complaints from the Shareholders'/ Investors' either at the beginning or at the end of the Quarter ended 31-03-2013. four complaints was received and resolved during the Quarter.

3.Previous period figures have been reclassified / regrouped to conform to the current period figures.

For and on behalf of the Board
LOKESH MACHINES LTD.

M.Lokeswara Rao
Managing Director

Hyderabad
May 25th, ,2013

Statement of Assets & Liabilities

Rs. In lakhs.

	31.03.13 Audited	31.03.12 Audited
A Equity and Liabilities		
1 Shareholders' Funds		
(a) Share Capital	1,177.74	1,177.74
(b) Reserves and Surplus	8,618.11	8,615.18
2 Non-Current liabilities		
(a) Long-term borrowings	4,937.96	4,854.53
(b) Deferred tax liabilities (Net)	783.92	784.58
(c) Other Long term liabilities	35.03	752.99
(d) Long term provisions	293.97	242.52
3 Current liabilities		
(a) Short-term borrowings	5,423.69	5,503.19
(b) Trade payables	2,533.40	2,396.91
(c) Other short current liabilities	4,619.15	3,139.75
(d) Short term provisions	299.17	221.35
TOTAL	**28,722.14**	**27,688.74**
B Assets		
1 Non Current Assets		
(a) Fixed Assets		
Tangible assets	10,494.53	11,096.66
Intangible assets	38.30	26.26
Capital Work-in-Progress	2,475.27	1,248.65
(b) Non Current Investments	800.00	800.00
(c) Long term loans and advances	1,295.08	1,171.37
(d) Other non-current assets	1,000.25	905.67
2 Current Assets		
(a) Inventories	7,098.04	6,744.36
(b) Trade Receivables	2,782.11	2,996.65
(c) Cash and cash equivalents	276.52	354.35
(d) Short term loans and advances	1,663.53	1,639.79
(e) Other current assets	798.51	704.98
	28,722.14	**27,688.74**

LOKESH MACHINES LIMITED ★ BALANAGAR ★ Hyderabad

Brahmayya & Co.,
CHARTERED ACCOUNTANTS
VIJAYAWADA, HYDERABAD, VISAKHAPATNAM, GUNTUR, KAKINADA, TANUKU, ALSO AT CHENNAI, BANGALORE AND ADONI.

INDEPENDENT AUDITOR'S REPORT

To the Members of **LOKESH MACHINES LIMITED, HYDERABAD.**

Report on the Financial Statements:

We have audited the accompanying financial statements of **LOKESH MACHINES LIMITED, HYDERABAD** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

403 & 404, Golden Green Apartments, Irrum Manzil Colony, Hyderabad - 500 082.
Phones : (040) - 2337 0002/4, Fax : 2337 0005, E-mail : hydbrahmayya@gmail.com

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

b. in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

   a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books ;

   c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

for BRAHMAYYA & CO.
Chartered Accountants
Firm's Registration Number: 000513S

(K.S.RAO)
Partner
Membership Number: 015850

Place : Hyderabad
Date : 25.05.2013

Annexure to the Auditor's Report: referred to in paragraph 3 of our report of even date,

Re: LOKESH MACHINES LIMITED, HYDERABAD.

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) As explained to us, the management has physically verified most of the fixed assets during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of the assets. As informed, no material discrepancies were noticed on such verification.

   c) During the year the Company has not disposed off any of the fixed assets.

2. a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

   b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

   c) The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and book records were not material.

3. According to the information and explanations given to us, the company has neither granted nor taken any loans, secured or unsecured from/to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and with regard to sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

5. a) According to the information and explanations given to us by the Management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register to be maintained under that section

   b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

6. The company has not accepted any deposits from the public. Hence the provisions of Sections and 58A, 58AA and other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable to the Company for the time being.

7. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.

8. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of manufacturing of machinery and job works and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

9. a) According to the records, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it.

   b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Cess were in arrears as at March 31, 2013 for a period of more than six months from the date they became payable.

10. The Company has no accumulated losses as at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.

11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions and Banks.

12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. The Company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

14. The Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

16. In our opinion and according to the information and explanations given to us the term loans were applied for the purpose for which the loans were raised.

17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

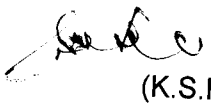
18. During the year, the Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956.

19. During the year, the Company has not issued any debentures , therefore the question of creating security or charge in respect thereof does not arise

20. During the year, the Company has not made any public issue and therefore the question of disclosing the end use of money raised by public issue does not arise.

21. Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

for BRAHMAYYA & CO.
Chartered Accountants
Firm Regn. No.000513S



(K.S.RAO)
Partner
Membership No.15850

Place: Hyderabad
Date : 25.05.2013