

(FOUR STAR EXPORT HOUSE RECOGNISED BY GOVT. OF INDIA)
INTEGRATED MANAGEMENT SYSTEM CERTIFIED AND PRACTICING COMPANY

Divisional Office :

No. 83 , 1st Main Road, R.A. Puram, Chennai 600 028, India.

Phone : +91 44 4227 7374

E-Mail : loyal@loyaltextiles.com

GSTIN : Tamil Nadu : 33AAACL2632C1Z8, Andhra Pradesh : 37AAACL2632C1Z0

CIN : L17111TN1946PLC001361, PAN : AAACL2632C

REF: LOYAL/SEC/2024-25/004

May 29, 2024

The Secretary, Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 514036	The Manager, Listing Department National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051. Symbol: LOYALTEX
---	--

Dear Sir / Madam,

Sub: Outcome of Board Meeting held on 29-05-2024

We hereby inform you that, the Board of Directors of the Company at their meeting held on Wednesday, 29th May 2024, inter-alia considered the following agenda items.

1. Approved the Audited Standalone and Consolidated financial results for the Quarter and Year ended 31.03.2024.
2. In view of the loss incurred by the company in the Financial Year 2023-24 the Board has not recommended dividend for FY 2023-24.

The Audited financial results, along with the Auditors report for the Quarter and Year ended 31.03.2024 are enclosed herewith for your kind information and record.

We confirm and declare that the Auditors Report on the Audited Financial Results (Standalone and Consolidated) for the year ended 31.03.2024 contains UNMODIFIED opinion.

The meeting commenced at 1.30 P.M. and concluded at 6.35 P.M.

Thanking You,

Yours faithfully

For LOYAL TEXTILE MILLS LIMITED

P. MAHADEVAN

COMPANY SECRETARY & COMPLIANCE OFFICER

Membership No. F9150

Encl: As above



Registered Office :

No. 21/4, Mill Street, Kovilpatti 628 501, Tamil Nadu, India

Phone : +91 4632 220001-5

E-Mail : kovilpatti@loyaltextiles.com, www.loyaltextiles.com



Independent Auditor's Report on the Quarterly and Year to Date Consolidated Audited Financial Results of the company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

**To the Board of Directors of
Loyal Textile Mills Limited**

Report on the Audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of Loyal Textile Mills Limited ("the Holding company/the Group") and its joint venture for the quarter and year ended 31st March 2024, attached herewith, being submitted by the Holding company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, and based on the other financial information of the Joint Venture the aforesaid consolidated annual financial results:

- I. Include the annual financial results of the following entities:

Sl.no	Name of the Entity	Relationship
1	Loyal Textile Mills Limited	Holding Company
3	Gruppo P&P Loyal Spa	Joint Venture

- II. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- III. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India, of the consolidated net loss including other comprehensive loss and other financial information for the quarter and year ended 31st March 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the group and its joint venture, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India

together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial results

Management's and Board of Directors' Responsibilities for the Consolidated Financial Results

These Consolidated annual financial results have been prepared on the basis of the Consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated financial results that give a true and fair view of the net loss and other comprehensive loss and other financial information of the group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective management and board of directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial results by the directors of the holding company, as aforesaid.

In preparing the consolidated financial results, the management and respective Board of Directors of the companies included in the group and its joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

The respective board of directors of the companies included in the group is responsible for overseeing the financial reporting process of the group.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to



issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the group and its Jointly control entities has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial statements made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial results, including the disclosures, and whether the Consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision, and performance of the audit of financial information of Holding company of which we are the independent auditors.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

- a. The consolidated financial results include the Group's share of net profit after tax of Rs.519.86 Lakhs for the year ended 31st March 2024 as considered in the consolidated financial results, in respect of one overseas joint venture whose financial results are unaudited. These unaudited financial results have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of the overseas joint venture is based solely on such unaudited financial results. In our opinion and according to the information and explanations given to us by the Management, these financial results are not material to the Group. Our opinion on the consolidated financial results is not modified in respect of the above matter with respect to our reliance on the financial statements certified by the Management.
- b. The consolidated annual financial results include the results for the quarter ended 31st March 2024 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us required under the listing regulations.

For Brahmayya & Co.,
Chartered Accountants
Firm Registration No. 000511S



N Sri Krishna
Partner
Membership No. 026575
UDIN: 24026575BKCVL1416

Place: Chennai
Date: 29th May 2024

LOYAL TEXTILE MILLS LIMITED

Registered Office : 21/4 Mills Street, Kovilpatti 628 501

CIN : L17111TN1946PLC001361

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2024

(₹. in Lakhs)

S.No	Particulars	Quarter Ended			Year Ended	
		31.03.2024 (Audited)	31.12.2023 (Unaudited)	31.03.2023 (Audited)	31.03.2024 (Audited)	31.03.2023 (Audited)
1	Revenue from Operations	20,076	20,417	32,998	93,919	1,40,289
2	Other Income	4,084	1,943	2,540	7,208	3,532
3	Total Income (1+2)	24,160	22,360	35,538	1,01,127	1,43,821
4	Expenses:					
	a. Cost of materials consumed	9,055	11,482	19,947	52,448	94,062
	b. Purchases of Stock in Trade	2,477	359		2,933	1,857
	c. Changes in inventories of:					
	- Finished Goods	2,444	(125)	1,599	3,010	(6,658)
	- Work in progress	(642)	160	(668)	652	(151)
	d. Employee benefits expense	3,261	3,820	4,475	15,698	17,651
	e. Finance Costs	1,597	1,274	1,010	5,288	3,179
	f. Depreciation & Amortisation expense	930	961	924	3,776	3,658
	g. Other expenses	5,590	5,668	8,072	23,433	30,496
	Total Expenses (4)	24,711	23,598	35,360	1,07,238	1,44,095
5	Profit / (Loss) before tax (3-4)	(551)	(1,238)	178	(6,111)	(274)
6	Share of Profit / (Loss) from a Joint venture	(473)	488	(271)	520	290
7	Profit / (Loss) before tax (3-4)	(1,024)	(749)	(92)	(5,591)	17
8	Tax Expenses					
	a. Current Tax	NIL	NIL		NIL	
	b. Deferred Tax Expenses/ (Credit)	313	(532)	(132)	(1,641)	(26)
	c. Income Tax relating to Previous Year	NIL	NIL	NIL	NIL	(242)
9	Profit / (Loss) for the period after tax(5-6)	(1,337)	(218)	39	(3,950)	284
10	Other Comprehensive Income, net of Income Tax					
	(a) items that will not be reclassified to Profit or Loss	(119)	6	(46)	53	(45)
	(b) Income tax relating to items that will not be reclassified to Profit or Loss	37	NIL	23	(20)	20
10	Total Comprehensive Income for the period (7+8)	(1,419)	(212)	16	(3,917)	260
11	Paid - up equity share capital (Face Value of Rs.10/- per share)	482	482	482	482	482
12	Earnings per Share (EPS)					
	a. Basic EPS	(27.76)	(4.52)	.81	(82.00)	5.91
	b. Diluted EPS	(27.76)	(4.52)	.81	(82.00)	5.91



For LOYAL TEXTILE MILLS LIMITED

Valli M Ramaswami
Valli M Ramaswami
Chairperson and Wholetime Director

Place : Chennai

Date : 29th May 2024



LOYAL TEXTILE MILLS LIMITED

Registered Office : 21/4 Mills Street, Kovilpatti 628 501

CIN : L17111TN1946PLC001361

STATEMENT OF AUDITED CONSOLIDATED ASSETS AND LIABILITIES AS AT 31st MARCH 2024

(₹. in Lakhs)

PARTICULARS	As at 31.03.2024 Audited	As at 31.03.2023 Audited
ASSETS		
A. Non-Current Assets		
(a) Property, Plant & Equipment	33,133	32,756
(b) Capital Work-in-progress	-	310
(c) Investment property	152	270
(d) Other Intangible assets	61	52
(e) Financial Assets		
(i) Investments	3,251	2,904
(f) Other Non-Current Assets	2,713	3,877
(g) Deferred Tax Assets (Net)	384	-
Total Non-Current Assets (A)	39,693	40,170
B. Current Assets		
(a) Inventories	41,559	52,162
(b) Financial Assets		
(i) Investments	2	2
(ii) Trade Receivables	15,849	20,570
(iii) Cash and Cash Equivalents	113	345
(iv) Bank Balance Other than (iii) above	1,573	1,769
(v) Other financial Assets	4,882	2,379
(c) Other current Assets	8,125	12,089
Total Current Assets (B)	72,104	89,317
Total Assets (A+B)	1,11,796	1,29,487
EQUITY AND LIABILITIES		
C. EQUITY		
(a) Equity Share Capital	482	482
(b) Other Equity	31,628	35,545
Total Equity (C)	32,110	36,027
LIABILITIES		
D. Non-Current Liabilities		
(a) Provisions	159	130
(b) Deferred Tax Liabilities (Net)	-	1,237
Total Non-Current Liabilities (D)	159	1,367
E. Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	62,216	66,227
(ii) Trade Payables		
(a) total outstanding dues of micro enterprises and small enterprises; and	3,410	2,214
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	7,786	14,734
(iii) Other financial liabilities	5,280	7,197
(b) Other current liabilities	613	1,600
(c) Provisions	222	121
Total Current Liabilities (E)	79,528	92,092
Total Liabilities F (D+E)	79,687	93,460
Total Equity and Liabilities (C+F)	1,11,796	1,29,487

For LOYAL TEXTILE MILLS LIMITED

Valli M Ramaswami

Valli M Ramaswami
Chairperson and Wholetime Director

Place : Chennai
Date : 29th May 2024



LOYAL TEXTILE MILLS LIMITED

Registered Office : 21/4 Mills Street, Kovilpatti 628 501
CIN : L17111TN1946PLC001361

STATEMENT OF AUDITED CONSOLIDATED CASH FLOW STATEMENT AS AT 31st MARCH 2024

(₹. in Lakhs)

PARTICULARS	31 st Mar 2024	31 st March 2023
	(Audited)	(Audited)
CASHFLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	(6,111)	(274)
ADJUSTMENTS FOR		
Depreciation	3,776	3,658
Interest paid	5,288	3,179
Dividend received on Investments - Others	(0)	(0)
Bad Debts & Provision for Bad debts	5	41
Impairment on Investments	-	20
(Profit)/Loss on disposal of Fixed Assets	(151)	16
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	2,808	6,641
ADJUSTMENTS FOR CHANGES IN WORKING CAPITAL		
Adjustment for (Increase)/Decrease in Operating Assets		
Inventories	10,603	(7,508)
Trade Receivables	4,717	9,679
Other Financial Assets	(2,503)	1,103
Other Current Assets	3,581	871
Other Non-Current Assets	(665)	(502)
Amount deposited as Margin Money	196	(406)
Adjustment for Increase/ (Decrease) in Operating Liabilities		
Trade Payables	(5,752)	(1,105)
Other Financial Liabilities	(1,917)	(1,322)
Other Current Liabilities	(986)	(521)
Long & Short term Provisions	182	29
Other Non-Current Liabilities	384	343
CASH FLOW FROM OPERATING ACTIVITIES	10,645	7,301
Income Tax (Paid)/Refund	-	(667)
NET CASH FLOW (A)	10,645	6,633
CASHFLOW FROM INVESTING ACTIVITIES		
Payments for Assets acquisition	(2,029)	(7,978)
Proceeds on Sale of Fixed Assets	277	26
Sale/(Purchase) of Investments	0	22
Dividend receipts	175	136
NET CASH FLOW (B)	(1,578)	(7,794)
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(5,288)	(3,179)
Proceeds / (Repayment) of Short Term Borrowings	(4,011)	4,601
Dividend paid	-	(482)
NET CASH FLOW (C)	(9,299)	940
NET CASH INFLOW / (OUTFLOW) (A+B+C)	(232)	(221)
OPENING CASH AND CASH EQUIVALENTS (D)	345	567
CLOSING CASH AND CASH EQUIVALENTS (E)	113	345
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (E-D)	(232)	(221)

Notes:

- 1) Cash and cash equivalent represents cash in hand and cash with scheduled banks.
- 2) Cash and cash equivalent include foreign currency balances which do not include items of restrictive realisability.
- 3) Reconciliation of amounts of Cash and Cash equivalents in Cash Flow Statement to Cash and Cash equivalents reported in Financial

Particulars	31.03.2024	31.03.2023
Cash and Cash equivalents as per Cash Flow statement	113	345
Add: Balances which are earmarked against liabilities and is not available for use	1 573	1 769
Cash and Cash equivalents as reported in Financial Statements	1 686	2 114

Place : Chennai
Date : 29th May 2024

For LOYAL TEXTILE MILLS LIMITED

Valli M Ramaswami
Valli M Ramaswami
Chairperson and Wholetime Director



Notes to Audited Consolidated Financial Results:

1. The Financial Results of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 (Ind AS) prescribed under Sec 133 of the companies Act, 2013 and other recognized accounting practices and polices to the extent applicable.
2. Loyal Textile Mills Limited ("the Company") is engaged in manufacturing of yarn, woven fabric, knitted fabric and technical clothing. The Company has manufacturing plants at Kovilpatti, Sattur, Cuddalore, Sivagangai in Tamilnadu and Naidupeta in Andhra Pradesh. The Company is a public listed company and listed on The Bombay Stock Exchange and National Stock Exchange (NSE).
3. The above audited consolidated financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 29, 2024
4. The statutory auditors have carried out the audit of the consolidated financial results for the quarter and year ended 31st March 2024. The figures for the three months ended for 31.03.24 and 31.03.23 are arrived at as difference between audited figures in respect of full financial year and the unaudited published figures upto 9 months of the relevant financial year.
5. The Company operates in one segment (i.e) Textile Business, which in the context of Indian Accounting Standard (IND AS 108) - Operating Segment, is considered as the only reportable operating segment of the company.
6. Other Income includes
 - a) Insurance amount of Rs.16.55 cr. received during the period
 - b) AP Industrial Investment Promotion Policy subsidy amounting to Rs. 28.60 cr. accounted as income during the period as per the sanction orders.
7. The consolidated financial results include the financial results of Loyal Textile Mills Limited ("the Parent Company") and joint venture foreign company - Gruppo P&P Loyal SPA Italy.
8. The Subsidiary company Loyal International Sourcing Private Limited [LISPL] and the three foreign joint venture companies (which were dormant), Loyal Dimco Group A.E.B.E, Greece, Loyal IRV Textile LDA, Portugal and Loyal Textiles (UK) Ltd, United Kingdom were dissolved and the carrying value of the investment amounting to Rs. 22.37 Lakhs was written off.
9. Previous period figures have been reclassified / regrouped wherever necessary.

For LOYAL TEXTILE MILLS LIMITED

Valli M Ramaswami

Valli M Ramaswami

Chairperson and Wholetime Director



Place : Chennai

Date : 29th May 2024

