

(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 Fax : +91 44 4306 0622  
E-Mail : loyal@loyaltextiles.com

REF: LTM/SEC/2022-23/002

September 22, 2022

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
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Dear Sir / Madam,

Sub: Chairman Statement and Proceedings of 76<sup>th</sup> Annual General Meeting

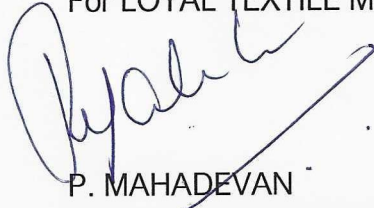
We enclose herewith a copy of the Chairman statement and proceedings of 76<sup>th</sup> Annual General Meeting of the company held on today Thursday, 22<sup>nd</sup> September 2022 through NSDL video conference platform, pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), 2015.

We wish to inform you that, all the resolutions set out in the Notice of 76<sup>th</sup> AGM were passed with the requisite majority.

This is for your kind information and record.

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 Fax : +91 4632 221353  
E-Mail : kovilpatti@loyaltextiles.com, www.loyaltextiles.com  
GSTIN : Tamil Nadu : 33AAACL2632C1Z8, Andhra Pradesh : 37AAACL2632C1Z0  
CIN : L17111TN1946PLC001361, PAN : AAACL2632C



SPEECH DELIVERED BY CHAIRMAN OF THE MEETING AT THE  
76<sup>th</sup> ANNUAL GENERAL MEETING OF THE COMPANY HELD THROUGH  
VIDEO CONFERENCE ON THURSDAY, 22<sup>nd</sup> SEPTEMBER 2022

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Ladies and Gentlemen,

I have great pleasure in welcoming you all to the 76<sup>th</sup> Annual General Meeting of your Company.

The Directors' Report and the Audited Accounts for the year ended 31<sup>st</sup> March 2022 have been with you for some time now and with your permission, I shall take them as read.

At the outset, before presenting the performance highlights of your company, I would like to make few observations on the outlook of the Indian Textile Industry.

#### INDIAN TEXTILE INDUSTRY

Indian Textile Industry plays an important role in the Indian Economy. India has the distinction of being the sixth largest exporter of Textiles and Apparel in the world. Textile and Apparel industry is second largest employer in the country next to Agriculture providing direct employment to 45 million people and 100 million people in allied industries.

The Indian Textiles and Apparel industry contribute 2.3 per cent to the country's GDP, 13 per cent to industrial production and 12 per cent to exports.

With COVID 19 subdued, the demand for Textile Products from Yarn to garment picked up from July 2021 till the end of the Financial year 2021-22.

Textiles and Apparel Industry uses both natural fibre and man made fibre for manufacture of fabric and apparels. In the natural fibre segment, cotton is used predominantly.

Cotton Production in India during cotton year commencing from October 2021 to September 2022 is expected to be around 310 lakhs bales only against normal production of 360 lakhs bales per annum. The short supply has resulted in cotton prices rising month on month from Rs.45,300 per candy in January 2021 to over rupees One lakh per candy in May 2022.



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The Textile market was good throughout the financial year the Textile mills could absorb the impact of steep rise in cotton price during the financial year 2021-22

As the scenario has changed suddenly from April 2022. With high inflation in US, Europe and several other countries across the globe the demand for Yarn, Fabric and Garments has declined steeply with cotton prices remaining firm during this period. The changed scenario has put the Indian Textile Industry under severe stress from July 2022.

With good rains in cotton cultivation area across the country cotton crop during the cotton year commencing from October 2022 is expected to be normal at 360 lakhs bales. New arrival in large volume is expected from November 2022.

#### **WORKING RESULTS**

Sales during the year increased to Rs.1,767.43 Cr. from Rs.1,121.80 Cr. in the previous year, up by 58%. Profit after tax increased to Rs.91.26 Cr. from Rs.27.52 Cr. in the previous year up by 231%

Exports during the year was Rs1,303.11 Cr. against Rs.774.67 Cr. in the previous year. Exports accounts for 74 % of the revenue from Operations.

#### **DIVIDEND**

Your Directors have recommended 100% dividend i.e Rs.10/- per share, entailing an outflow of Rs.4.82 Cr. by way of dividend.

#### **COMPANY OUTLOOK & PROSPECTS**

Your Company has established credentials in the domestic and export market through supply of quality products. Your company has repaid entire term loan and has emerged as a zero term loan company from November 2021.

Your company is focusing on increasing garment production in both technical garments and fashion garments.

Your company is taking all efforts, to increase the production, reduce manufacturing cost and introducing new products to overcome the impact of fluctuations in demand and price of the final products.



## DIRECTORS

During the year, the Board of Directors based on the recommendation of the Nomination and Remuneration Committee have appointed Mr.M.E.Manivannan as Whole Time Director of the Company for a term of 5 years. His appointment was approved by the shareholders through Postal Ballot process on 25<sup>th</sup> March 2022.

Mr. B. Vaidyanathan, Director, who retires by rotation in this meeting has offered his services for re-appointment.

## LISTING OF SHARES IN NSE

Your company has enlisted its shares in National Stock Exchange Limited with effect from 11<sup>th</sup> August 2022. Now your company's shares are traded in both Bombay Stock Exchange and National Stock Exchange.

## ACKNOWLEDGMENT

On behalf of the Board and on my own behalf, I wish to take this opportunity to express my sincere thanks to all our customers, in India and abroad, for their support in marketing the Company's products.

I would like to convey our sincere thanks to Bankers, Customers, Suppliers and Investors for their continued and valuable support.

I would like to place on record our appreciation for the good work done by all the employees of the Company.

I would like to thank you all, for making it convenient to attend your Company's 76<sup>th</sup> Annual General Meeting.

*(This does not purport to be a record of the proceedings of the Annual General Meeting)*



## PROCEEDINGS OF 76<sup>TH</sup> ANNUAL GENERAL MEETING

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The 76<sup>th</sup> Annual General Meeting of the Company was held on Thursday, 22<sup>nd</sup> September 2022, at 10:15 A.M through NSDL Video Conference Platform.

- Mr. M.E. Manivannan, Director was elected as Chairman of the meeting. He took the chair and welcomed the Shareholders to the 76<sup>th</sup> Annual General Meeting of the Company. After ascertaining the requisite quorum, he called the meeting on order.
- Chairman of the meeting gave an overview of Indian Textile Industry, Performance of the company during 2021-22 and Company outlook and prospects.
- Then he requested the shareholders to raise any queries, if any with regard to the business listed in the notice of 76<sup>th</sup> Annual General Meeting. The replies were given for the queries raised by the shareholders.
- Thereafter he informed that pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company provided the remote e-voting facility to the members to cast their votes electronically for the following businesses set out in the notice of 76<sup>th</sup> AGM.

Remote E-voting commenced on 19<sup>th</sup> September 2022 and concluded on 21<sup>st</sup> September 2022. He further informed to the shareholders those who were not voted through remote e-voting may cast their vote through NSDL E-voting portal during the AGM.

1. Adoption of the Audited Standalone and Consolidated Financial Statements of the Company for the year ended 31<sup>st</sup> March 2022 and the reports of the Directors and Auditors thereon.
  2. Approval of Dividend for the year 2021-22.
  3. Appointment of Mr.B.Vaidyanathan, Director (Din: 00263983), who retires by rotation and being eligible offers himself for reappointment
  4. Appointment of M/s. Brahmayya & Co., Chartered Accountants as Statutory Auditors of the Company
  5. Ratification of remuneration to the Cost Auditor
- The Chairman of the meeting informed the shareholders that the voting results shall be disseminated in the website of the Stock Exchange and the Company within 48 hours from conclusion of the meeting.
  - The meeting was concluded at 10.40 a.m



A handwritten signature in blue ink, appearing to be 'M. Manivannan', written over a horizontal line.