

(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: LTM/SEC/2022-23/035

May 29, 2023

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: Outcome of Board Meeting held on 29-05-2023

We hereby inform you that, the Board of Directors of the Company at their meeting held on Monday, 29<sup>th</sup> May 2023, inter-alia considered the following agenda items.

1. Approved the Audited Standalone and Consolidated financial results for the Quarter and Year ended 31.03.2023.
2. In view of adverse market conditions, the Board has not recommended dividend for FY 2022-23.

The Audited financial results, along with the Auditors report for the Quarter and Year ended 31.03.2023 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 31.03.2023 contains UNMODIFIED opinion.

The meeting commenced at 12.00 Noon and concluded at 6.00 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 Standalone 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 Standalone Financial Results**

**Opinion**

We have audited the accompanying standalone financial results of Loyal Textile Mills Limited ("the company") for the quarter and year ended 31<sup>st</sup> March 2023('the Statement'), attached herewith, being submitted by the 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, the aforesaid standalone financial results:

- a) are presented in accordance with the requirements of the Listing Regulations in this regard; and
- b) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive loss and other financial information for the quarter and year ended 31<sup>st</sup> March 2023.

**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 Standalone Financial Results section of our report. We are independent of the Company, 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.



### **Management's and Board of Directors' Responsibilities for the Standalone Financial Results**

These standalone financial results have been prepared on the basis of the standalone financial statements.

The Company's Management and the Board of Directors are responsible for the preparation of these standalone financial results that give a true and fair view of the net profit and other comprehensive loss and other financial information 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company 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 standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Management and Board of Directors are also responsible for overseeing the Company's financial reporting process

### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 through a separate report on the complete set of standalone financial statements on whether the company has adequate internal financial controls with reference to 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 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 Company'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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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.

#### **Other Matters**

The standalone financial results include the results for the quarter ended 31<sup>st</sup> March 2023 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.

**Attention is drawn to the fact;**

- a. The financial results of the Company for the quarter and year ended 31<sup>st</sup> March 2022 was audited by M/S Ganesh Prasad, who issued unmodified report vide their report dated 30<sup>th</sup> May 2022

The above reports have been furnished to us by management, which have been relied upon by us for the purpose of review of this Statement. Our audit report is not modified in respect of this matter.

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



**N Sri Krishna**  
Partner



Membership No. 026575  
UDIN: 23026575 BGRIPY7553.

Place: Chennai  
Date: May 29<sup>th</sup>, 2023

# LOYAL TEXTILE MILLS LIMITED

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

CIN : L17111TN1964PLC001361

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31<sup>st</sup> MARCH 2023

(₹. In lakhs except per share data)

S.No	PARTICULARS	Quarter Ended			Year Ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		(Audited)*	(Unaudited)	(Audited)	(Audited)*	(Audited)
1	Revenue from Operations	32,998	28,521	47,547	1,40,289	1,76,287
2	Other Income	2,515	786	634	3,668	892
3	<b>Total Income (1+2)</b>	<b>35,513</b>	<b>29,307</b>	<b>48,181</b>	<b>1,43,957</b>	<b>1,77,178</b>
4	Expenses:					
	a. Cost of materials consumed	19,947	20,895	32,603	94,062	1,13,131
	b. Purchases of Stock in Trade			592	1,857	3,679
	c. Changes in inventories of:					
	- Finished Goods	1,599	(1,948)	(835)	(6,658)	(5,841)
	- Work in progress	(668)	(606)	(1,135)	(151)	(3,210)
	d. Employee benefits expense	4,475	4,338	4,245	17,651	16,372
	e. Finance Costs	1,010	634	649	3,179	2,963
	f. Depreciation & Amortisation expense	924	919	904	3,658	3,704
	g. Other expenses	8,080	7,301	8,483	30,503	33,236
	<b>Total Expenses (4)</b>	<b>35,368</b>	<b>31,533</b>	<b>45,505</b>	<b>1,44,102</b>	<b>1,64,034</b>
5	Profit / (Loss) before tax (3-4)	145	(2,226)	2,675	(145)	13,145
6	Tax Expenses					
	a. Current Tax	NIL	(434)	817	NIL	4,119
	b. Deferred Tax Expenses/ (Credit)	(132)	256	(80)	(26)	(143)
	c. Income Tax relating to Previous Year	NIL	(171)	43	(242)	43
	<b>Net Tax Expenses</b>	<b>(132)</b>	<b>(349)</b>	<b>780</b>	<b>(268)</b>	<b>4,019</b>
7	Profit / (Loss) for the period after tax(5-6)	277	(1,877)	1,895	123	9,126
8	Other Comprehensive Income, net of Income Tax					
	(a) items that will not be reclassified to Profit or Loss	(46)	6	(1)	(45)	(2)
	(b) Income tax relating to items that will not be reclassified to Profit or Loss	23	(2)	NIL	20	1
9	<b>Total Comprehensive Income for the period (7+8)</b>	<b>254</b>	<b>(1,873)</b>	<b>1,894</b>	<b>99</b>	<b>9,125</b>
10	Paid - up equity share capital (Face Value of Rs.10/- per share)	482	482	482	482	482
11	Earnings per Share ( EPS)					
	a. Basic EPS	5.74	(38.99)	39.35	2.56	189.48
	b. Diluted EPS	5.74	(38.99)	39.35	2.56	189.48

\* Refer Note 7.

For LOYAL TEXTILE MILLS LIMITED

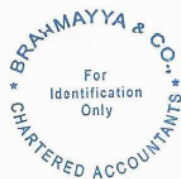
*Valli M Ramaswami*

Place : Chennai

Date : 29<sup>th</sup> May 2023

Valli M Ramaswami

Chairperson and Wholetime Director





# LOYAL TEXTILE MILLS LIMITED

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

CIN : L17111TN1964PLC001361

## STATEMENT OF STANDALONE ASSETS AND LIABILITIES AS AT 31<sup>st</sup> MARCH 2023

(₹. in Lakhs)

PARTICULARS	As at 31.03.2023 Audited	As at 31.03.2022 Audited
<b>ASSETS</b>		
<b>A. Non-Current Assets</b>		
(a) Property, Plant & Equipment	32,756	30,026
(b) Capital Work-in-progress	310	440
(c) Investment property	270	276
(d) Other Intangible assets	52	29
(e) Financial Assets		
(i) Investments	198	226
(f) Other Non-Current Assets	3,877	1,715
<b>Total Non-Current Assets (A)</b>	<b>37,464</b>	<b>32,711</b>
<b>B. Current Assets</b>		
(a) Inventories	52,162	44,654
(b) Financial Assets		
(i) Investments	2	24
(ii) Trade Receivables	20,570	30,290
(iii) Cash and Cash Equivalents	345	563
(iv) Bank Balance Other than (iii) above	1,769	1,363
(v) Other financial Assets	2,379	3,482
(c) Other current Assets	12,089	12,960
<b>Total Current Assets (B)</b>	<b>89,317</b>	<b>93,336</b>
<b>Total Assets (A+B)</b>	<b>1,26,781</b>	<b>1,26,047</b>
<b>EQUITY AND LIABILITIES</b>		
<b>C. EQUITY</b>		
(a) Equity Share Capital	482	482
(b) Other Equity	32,839	33,221
<b>Total Equity (C)</b>	<b>33,321</b>	<b>33,703</b>
<b>LIABILITIES</b>		
<b>D. Non-Current Liabilities</b>		
(a) Provisions	130	88
(b) Deferred Tax Liabilities (Net)	1,237	941
<b>Total Non-Current Liabilities (D)</b>	<b>1,367</b>	<b>1,028</b>
<b>E. Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	66,227	61,626
(ii) Trade Payables		
(a) total outstanding dues of micro enterprises and small enterprises; and	2,214	812
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	14,734	17,241
(iii) Other financial liabilities	7,197	8,519
(b) Other current liabilities	1,600	1,941
(c) Provisions	121	95
(d) Current Tax Liabilities (Net)	-	1,081
<b>Total Current Liabilities (E)</b>	<b>92,092</b>	<b>91,315</b>
<b>Total Liabilities F (D+E)</b>	<b>93,460</b>	<b>92,343</b>
<b>Total Equity and Liabilities (C+F)</b>	<b>1,26,781</b>	<b>1,26,047</b>

For LOYAL TEXTILE MILLS LIMITED

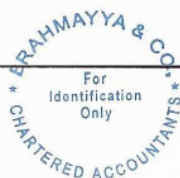


Valli M Ramaswami

Chairperson and Wholetime Director

Place : Chennai

Date : 29<sup>th</sup> May 2023



# LOYAL TEXTILE MILLS LIMITED

Registered Office : 21/4 Mills Street, Kovilpatti 628 501  
CIN : L17111TN1964PLC001361  
STATEMENT OF STANDALONE CASH FLOW STATEMENT AS AT 31<sup>st</sup> MARCH 2023

(₹. in Lakhs)

PARTICULARS	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
	(Audited)	(Audited)
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>		
PROFIT BEFORE TAX	(145)	13,145
ADJUSTMENTS FOR		
Depreciation	3,658	3,704
Interest paid	3,179	2,963
Dividend received on Investments - Others	(136)	(181)
Bad Debts & Provision for Bad debts	46	165
Impairment on Assets	-	103
Impairment on Investments	22	-
(Profit)/Loss on disposal of Fixed Assets	16	(53)
Net unrealised foreign exchange (gain) / loss	(300)	-
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>6,341</b>	<b>19,845</b>
<b>ADJUSTMENTS FOR CHANGES IN WORKING CAPITAL</b>		
<b>Adjustment for (Increase)/Decrease in Operating Assets</b>		
Inventories	(7,508)	(18,810)
Trade Receivables	9,885	(8,046)
Other Financial Assets	1,103	(1,483)
Other Current Assets	871	(3,214)
Other Non-Current Assets	(502)	(563)
Amount deposited as Margin Money	(406)	1,440
<b>Adjustment for Increase/ (Decrease) in Operating Liabilities</b>		
Trade Payables	(1,078)	(5,973)
Other Financial Liabilities	(1,322)	271
Other Current Liabilities	(513)	(362)
Long & Short term Provisions	29	(49)
Other Non-Current Liabilities	343	1,494
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>7,243</b>	<b>(15,449)</b>
Income Tax (Paid)/Refund	(667)	(1,778)
<b>NET CASH FLOW (A)</b>	<b>6,576</b>	<b>(17,227)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Payments for Assets acquisition	(7,978)	(3,203)
Proceeds on Sale of Fixed Assets	26	75
Sale/(Purchase) of Investments	22	0
Dividend receipts	136	181
<b>NET CASH FLOW (B)</b>	<b>(7,794)</b>	<b>(2,947)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest paid	(3,179)	(2,963)
Proceeds / (Repayment) of Long Term Borrowings	-	(5,298)
Proceeds / (Repayment) of Short Term Borrowings	4,662	28,972
Dividend paid	(482)	(361)
<b>NET CASH FLOW (C)</b>	<b>1,001</b>	<b>20,351</b>
<b>NET CASH INFLOW / (OUTFLOW) (A+B+C)</b>	<b>(218)</b>	<b>177</b>
<b>OPENING CASH AND CASH EQUIVALENTS (D)</b>	<b>563</b>	<b>387</b>
<b>CLOSING CASH AND CASH EQUIVALENTS (E)</b>	<b>345</b>	<b>563</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (E-D)</b>	<b>(218)</b>	<b>177</b>

## Notes:

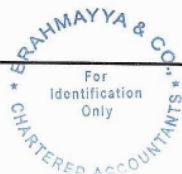
- 1) Cash and cash equivalent represents cash in hand and cash with scheduled banks.
- 2) Cash and cash equivalent include foreign currency balances which do not include items of restrictive realisability.
- 3) Reconciliation of amounts of Cash and Cash equivalents in Cash Flow Statement to Cash and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

Particulars	31.03.2023	31.03.2022
Cash and Cash equivalents as per Cash Flow statement	345	563
Add: Balances which are earmarked against liabilities and is not available for use	1,760	1,262
Cash and Cash equivalents as reported in Financial Statements	<b>2,114</b>	<b>1,926</b>

Place : Chennai  
Date : 29<sup>th</sup> May 2023

For LOYAL TEXTILE MILLS LIMITED

Valli M Ramaswami  
Chairperson and Wholetime Director





**Notes to Audited Standalone Financial Statements:**

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 policies 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 financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 29, 2023

4. The statutory auditors have carried out the audit of the standalone financial results for the quarter and year ended 31st March 2023.

5. Some of the Investments in Overseas Joint Ventures have been impaired fully amounting to Rs.20.37 lacs.

6. Insurance Amount 13.75 Crore received during the period has been shown under Other Income

7. The figures for quarter ended 31st March are the balancing figures between audited annual figures of the full financial year and the published year to date figures up to the third quarter of the respective financial years

8. Previous period figures have been reclassified / regrouped wherever necessary.

For LOYAL TEXTILE MILLS LIMITED

*Valli M Ramaswami*

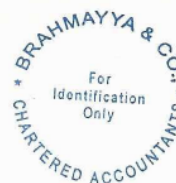


Place : Chennai

Date : 29<sup>th</sup> May 2023

Valli M Ramaswami

Chairperson and Wholetime Director



# LOYAL TEXTILE MILLS LIMITED

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

CIN : L17111TN1946PLC001361

## STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

(₹. In lakhs except per share data)

Sl No	Particulars	STANDALONE RESULTS			CONSOLIDATED RESULTS		
		Quarter Ended	Year ended	Quarter Ended	Quarter Ended	Year ended	Quarter Ended
		31.03.2023 (Audited)	31.03.2023 (Audited)	31.03.2022 (Audited)	31.03.2023 (Audited)	31.03.2023 (Audited)	31.03.2022 (Audited)
1	Total income from operations	32,998	1,40,289	47,547	32,998	1,40,289	47,547
2	Net profit / (Loss) for the period (before tax, exceptional items)	145	(145)	2,675	(92)	17	2,646
3	Net profit / (Loss) for the period before tax (after exceptional items)	145	(145)	2,675	(92)	17	2,646
4	Net profit / (Loss) for the period after tax (after exceptional items)	277	123	1,895	39	284	1,859
5	Total Comprehensive Income for the Period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	254	99	1,894	16	260	1,858
6	Equity share capital	482	482	482	482	482	482
7	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance sheet of Previous year						
8	Earnings per share (Rs.10 each) (for Continuing and Discontinued operations) -						
	a. Basic	5.74	2.56	39.35	0.81	5.90	38.60
	b. Diluted	5.74	2.56	39.35	0.81	5.90	38.60

### Note

1. The above is an extract of the detailed format of Quarter/ Year Ended audited financial results as on March 31, 2023 filed with the Stock Exchange under Regulation 33 of the SEBI ( Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of Quarter/Year Ended audited financial results as on March 31, 2023 are available on the Bombay Stock Exchange website ([www.bseindia.com](http://www.bseindia.com)), National Stock Exchange ([www.nseindia.com](http://www.nseindia.com)) and on the company website ([www.loyaltextiles.com](http://www.loyaltextiles.com)).

2. Previous period figures have been reclassified / regrouped wherever necessary.

For LOYAL TEXTILE MILLS LIMITED

Place : Chennai

Date : 29<sup>th</sup> May 2023

Valli M Ramaswami  
Chairperson and Wholetime Director





**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 Financial Results**

**Opinion**

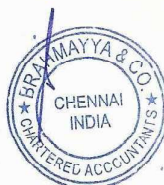
We have audited the accompanying consolidated financial results of Loyal Textile Mills Limited ("the Holding company") and its subsidiary (the Holding company and its subsidiary together referred to as "the group") and its joint ventures for the quarter and year ended 31<sup>st</sup> March 2023 (the statement), 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 consideration of reports of the other auditor on separate audited financial statements/ financial information of the Subsidiaries and Joint Ventures the aforesaid consolidated financial results:

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

Sl.no	Name of the Entity	Relationship
1	Loyal Textile Mills Limited	Holding Company
2	Loyal International Sourcing Private Limited	Wholly Owned Subsidiary
3	Gruppo P&P Loyal Spa	Joint Venture
4	Loyal Dimco Group A.E.B.E	Joint Venture
5	Loyal IRV Textile LDA, Portugal	Joint Venture
6	Loyal Textiles UK Limited	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 accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive loss and other financial information of the group for the quarter and year ended 31<sup>st</sup> March 2023



### **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, 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 financial results have been prepared on the basis of the Consolidated annual financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated financial results that give a true and fair view of the net profit 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 board of directors 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 respective Board of Directors of the companies included in the group are responsible for assessing the ability of the group 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 are responsible for overseeing the financial reporting process of the group.





**Auditor's Responsibilities for the Audit of the Consolidated 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 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 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 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 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 accompanying Statement includes the audited Ind AS financial statements and other financial information, in respect of 1 overseas joint venture whose financial statements include Group's share of net profit/(loss) after tax of (Rs.270.67 Lakhs) and Rs.290.46 Lakhs and Group's share of total comprehensive Income/(loss) of (Rs.270.67 Lakhs) and 290.46 Lakhs for the quarter and year ended 31<sup>st</sup> March 2023 respectively as considered in the statement, whose financial statements, other financial information have been audited by their independent auditors.

The independent auditor's report on the financial statements of above joint venture have been furnished to us by the Management and our opinion on the statement in so far as it relates to the amounts and disclosures included in respect of the above joint venture is based solely on the reports of such auditors.

The above joint venture which is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their country and which have been audited by other auditors under generally accepted auditing standards applicable in their country. The holding company's management has converted the financial statement of such Joint Venture located outside India from accounting principle generally accepted in their countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the holding company's management. Our opinion in so far as it relates to the balances and affairs of such joint venture located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the holding company are audited by us. Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial results/financial information certified by the board of directors.



- b. The accompanying Statement includes unaudited statements and other unaudited financial information in respect of 1 subsidiary whose financial statements reflect total assets of Rs. Nil as at 31<sup>st</sup> March 2023, total revenue of Rs. Nil and Nil, Net profit of Rs. Nil and Nil and total comprehensive income of Nil and Nil for the quarter and year ended on that date respectively, and net cash flows of Rs. Nil for the year ended March 31, 2023, whose financial statements and other financial information have not been audited by their auditors.

These unaudited financial statements and other financial information have been approved and furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on such unaudited financial statements and other financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

- c. In the case of three foreign Joint ventures (informed to be dormant entities), the financial statements/ special purpose financial information for the year ended March 31, 2023 is not available. In absence of the aforesaid financial statements/ special purpose financial information, the financial statements/ special purpose financial information in respect of aforesaid joint venture and the Group's share of total comprehensive income of these joint venture entities for the quarter and year ended March 31, 2023 have not been included in the Consolidated Financial Results. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ special purpose financial information are not material to the Group.
- d. The statement include the results for the quarter ended March 31, 2023 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.





**Attention is drawn to the fact:**

- a. The financial results of the group for the quarter and year ended 31<sup>st</sup> March 2022 was audited by M/S Ganesh Prasad, who issued unmodified report vide their report dated 30<sup>th</sup> May 2022. The above reports have been furnished to us by management, which have been relied upon by us for the purpose of review of this Statement.

**For Brahmayya & Co.,**  
**Chartered Accountants**

Firm Registration No. 000511S



**N Sri Krishna**

Partner

Membership No. 026575

UDIN: 23026575GRIDW5341.



Place: Chennai

Date: May 29<sup>th</sup> 2023

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# LOYAL TEXTILE MILLS LIMITED

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

CIN : L17111TN1964PLC001361

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31<sup>st</sup> MARCH 2023

(₹. In lakhs except per share data)

S.No	PARTICULARS	Quarter Ended			Year Ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		(Audited)*	(Unaudited)	(Audited)	(Audited)*	(Audited)
1	Revenue from Operations	32,998	28,521	47,547	1,40,289	1,76,287
2	Other Income	2,540	625	634	3,532	892
3	<b>Total Income (1+2)</b>	<b>35,538</b>	<b>29,146</b>	<b>48,181</b>	<b>1,43,821</b>	<b>1,77,178</b>
4	Expenses:					
	a. Cost of materials consumed	19,947	20,895	32,603	94,062	1,13,131
	b. Purchases of Stock in Trade			592	1,857	3,679
	c. Changes in inventories of:					
	- Finished Goods	1,599	(1,948)	(835)	(6,658)	(5,841)
	- Work in progress	(668)	(606)	(1,135)	(151)	(3,210)
	d. Employee benefits expense	4,475	4,338	4,245	17,651	16,372
	e. Finance Costs	1,010	634	649	3,179	2,963
	f. Depreciation & Amortisation expense	924	919	904	3,658	3,704
	g. Other expenses	8,072	7,302	8,483	30,496	33,115
	<b>Total Expenses (4)</b>	<b>35,360</b>	<b>31,534</b>	<b>45,506</b>	<b>1,44,095</b>	<b>1,63,913</b>
5	Profit / (Loss) before share of profit / (Loss) of joint venture, exceptional items and tax (3-4)	178	(2,388)	2,675	(274)	13,266
6	Share of Profit / (Loss) from a Joint venture	(271)	250	(29)	290	466
7	Profit / (Loss) before exceptional items and tax (5+6)	(92)	(2,138)	2,646	17	13,731
6	Exceptional Items	NIL	NIL	NIL	NIL	NIL
6	Profit / (Loss) before tax (5-6)	(92)	(2,138)	2,646	17	13,731
6	Tax Expenses					
	a. Current Tax		(435)	824		4,126
	b. Deferred Tax Expenses/ (Credit)	(132)	256	(80)	(26)	(143)
	c. Income Tax relating to Previous Year		(171)	43	(242)	43
	<b>Net Tax Expenses</b>	<b>(132)</b>	<b>(350)</b>	<b>787</b>	<b>(267)</b>	<b>4,026</b>
7	Profit / (Loss) for the period after tax (5-6)	39	(1,788)	1,859	284	9,705
8	Profit/ (Loss) from discontinuing operations	NIL	NIL	NIL	NIL	NIL
9	Profit / (Loss) for the period after tax (7+8)	39	(1,788)	1,859	284	9,705
8	Other Comprehensive Income, net of Income Tax					
	(a) items that will not be reclassified to Profit or Loss	(46)	6	(1)	(45)	(2)
	(b) Income tax relating to items that will not be reclassified to Profit or Loss	23	(2)	NIL	20	1
9	Total Comprehensive Income for the period (7+8)	16	(1,784)	1,858	260	9,704
10	Paid - up equity share capital (Face Value of Rs.10/- per share)	482	482	482	482	482
11	Earnings per Share ( EPS)					
	a. Basic EPS	0.81	(37.15)	38.60	5.90	201.50
	b. Diluted EPS	0.81	(37.15)	38.60	5.90	201.50

\* Refer Note 7

For LOYAL TEXTILE MILLS LIMITED

*Valli M Ramaswami*

Place : Chennai

Date : 29<sup>th</sup> May 2023

Valli M Ramaswami  
Chairperson and Wholtime Director



# LOYAL TEXTILE MILLS LIMITED

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

CIN : L17111TN1964PLC001361

## STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES AS AT 31<sup>st</sup> MARCH 2023

(₹. in Lakhs)

PARTICULARS	As at 31.03.2023 Audited	As at 31.03.2022 Audited
<b>ASSETS</b>		
<b>A. Non-Current Assets</b>		
(a) Property, Plant & Equipment	32,756	30,026
(b) Capital Work-in-progress	310	440
(c) Investment property	270	276
(d) Other Intangible assets	52	29
(e) Financial Assets		
(i) Investments	2,904	2,775
(f) Other Non-Current Assets	3,877	1,715
<b>Total Non-Current Assets (A)</b>	<b>40,170</b>	<b>35,260</b>
<b>B. Current Assets</b>		
(a) Inventories	52,162	44,654
(b) Financial Assets		
(i) Investments	2	24
(ii) Trade Receivables	20,570	30,290
(iii) Cash and Cash Equivalents	345	567
(iv) Bank Balance Other than (iii) above	1,769	1,363
(v) Other financial Assets	2,379	3,482
(c) Other current Assets	12,089	12,960
<b>Total Current Assets (B)</b>	<b>89,317</b>	<b>93,340</b>
<b>Total Assets (A+B)</b>	<b>1,29,487</b>	<b>1,28,600</b>
<b>EQUITY AND LIABILITIES</b>		
<b>C. EQUITY</b>		
(a) Equity Share Capital	482	482
(b) Other Equity	35,545	35,767
<b>Total Equity (C)</b>	<b>36,027</b>	<b>36,248</b>
<b>LIABILITIES</b>		
<b>D. Non-Current Liabilities</b>		
(a) Provisions	130	88
(b) Deferred Tax Liabilities (Net)	1,237	941
<b>Total Non-Current Liabilities (D)</b>	<b>1,367</b>	<b>1,028</b>
<b>E. Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	66,227	61,626
(ii) Trade Payables		
(a) total outstanding dues of micro enterprises and small enterprises; and	2,214	812
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	14,734	17,241
(iii) Other financial liabilities	7,197	8,519
(b) Other current liabilities	1,600	1,941
(c) Provisions	121	95
(d) Current Tax Liabilities (Net)	-	1,089
<b>Total Current Liabilities (E)</b>	<b>92,092</b>	<b>91,323</b>
<b>Total Liabilities F (D+E)</b>	<b>93,460</b>	<b>92,352</b>
<b>Total Equity and Liabilities (C+F)</b>	<b>1,29,487</b>	<b>1,28,600</b>

For LOYAL TEXTILE MILLS LIMITED

*Valli M*

Valli M Ramaswami

Chairperson and Wholetime Director

Place : Chennai

Date : 29<sup>th</sup> May 2023





# LOYAL TEXTILE MILLS LIMITED

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

CIN : L17111TN1964PLC001361

STATEMENT OF CONSOLIDATED CASH FLOW STATEMENT AS AT 31<sup>st</sup> MARCH 2023

(₹. in Lakhs)

PARTICULARS	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
	(Audited)	(Audited)
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>		
PROFIT BEFORE TAX	(274)	13,266
ADJUSTMENTS FOR		
Depreciation	3,658	3,704
Interest paid	3,179	2,963
Dividend received on Investments - Others	(0)	(181)
Bad Debts & Provision for Bad debts	41	0
Impairment on Assets	-	103
Impairment on Investments	20	-
(Profit)/Loss on disposal of Fixed Assets	16	(53)
Net unrealised foreign exchange (gain) / loss	(300)	-
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>6,341</b>	<b>19,801</b>
<b>ADJUSTMENTS FOR CHANGES IN WORKING CAPITAL</b>		
Adjustment for (Increase)/Decrease in Operating Assets		
Inventories	(7,508)	(18,810)
Trade Receivables	9,890	(7,843)
Other Financial Assets	1,103	647
Other Current Assets	871	(3,374)
Other Non-Current Assets	(502)	(563)
Amount deposited as Margin Money	(406)	1,440
Adjustment for Increase/ (Decrease) in Operating Liabilities		
Trade Payables	(1,078)	(5,974)
Other Financial Liabilities	(1,322)	(3,727)
Other Current Liabilities	(521)	(363)
Long & Short term Provisions	29	(49)
Other Non-Current Liabilities	343	(625)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>7,239</b>	<b>(19,440)</b>
Income Tax (Paid)/Refund	(667)	(1,778)
<b>NET CASH FLOW (A)</b>	<b>6,572</b>	<b>(21,218)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Payments for Assets acquisition	(7,978)	(3,203)
Proceeds on Sale of Fixed Assets	26	75
Sale/(Purchase) of Investments	22	0
Dividend receipts	136	181
<b>NET CASH FLOW (B)</b>	<b>(7,794)</b>	<b>(2,947)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest paid	(3,179)	(2,963)
Proceeds / (Repayment) of Long Term Borrowings	-	(1,308)
Proceeds / (Repayment) of Short Term Borrowings	4,662	28,972
Dividend paid	(482)	(361)
<b>NET CASH FLOW (C)</b>	<b>1,001</b>	<b>24,341</b>
<b>NET CASH INFLOW / (OUTFLOW) (A+B+C)</b>	<b>(221)</b>	<b>175</b>
<b>OPENING CASH AND CASH EQUIVALENTS (D)</b>	<b>567</b>	<b>392</b>
<b>CLOSING CASH AND CASH EQUIVALENTS (E)</b>	<b>345</b>	<b>567</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (E-D)</b>	<b>(221)</b>	<b>175</b>

**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 Statements:

Particulars	31.03.2023	31.03.2022
Cash and Cash equivalents as per Cash Flow statement	345	567
Add: Balances which are earmarked against liabilities and is not available for use	1 769	1 363
Cash and Cash equivalents as reported in Financial Statements	2 114	1 929

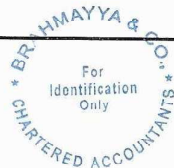
Place : Chennai

Date : 29<sup>th</sup> May 2023

For LOYAL TEXTILE MILLS LIMITED

Valli M Ramaswami

Chairperson and Wholetime Director



**Notes to Audited Consolidated Financial Statements:**

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 policies to the extent applicable.

2. The consolidated financial results include the financial results of Loyal Textile Mills Limited ("the Parent Company") and the financial results of its subsidiary Loyal International Sourcing Private Limited [LISPL] and joint venture foreign company - Gruppo P&P Loyal SPA Italy. The Subsidiary company Loyal International Sourcing Private Limited [LISPL] has shut down its operations from FY 2017-18 onwards.

Out of the joint venture foreign companies, the operations of Loyal Dimco Group A.E.B.E (under the process of winding up), Loyal Textiles (UK) Ltd and Loyal IRV Textile LDA, Portugal are not significant in relation to the Group's business.

3. The above audited financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 29, 2023

4. The statutory auditors have carried out the audit of the standalone financial results for the quarter and year ended 31st March 2023.

5. Some of the Investments in Overseas Joint Ventures have been impaired fully amounting to Rs.20.37 lacs.

6. Insurance Amount 13.75 Crore received during the period has been shown under Other Income

7. The figures for quarter ended 31st March are the balancing figures between audited annual figures of the full financial year and the published year to date figures up to the third quarter of the respective financial years

8. Previous period figures have been reclassified / regrouped wherever necessary.

**For LOYAL TEXTILE MILLS LIMITED**



**Valli M Ramaswami**

**Chairperson and Wholetime Director**



**Place : Chennai**

**Date : 29<sup>th</sup> May 2023**

