

(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/2025-26/009

August 12, 2025

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,

**Sub: Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we hereby disclose the Approval of Fair Practices code and procedures for fair disclosure of unpublished price sensitive information, which was approved by the Board of Directors at their meeting held today viz., 12<sup>th</sup> August, 2025.

The said code will be hosted on the website of the Company viz., [www.loyaltextiles.com](http://www.loyaltextiles.com).

Thanking You,

Yours faithfully

For LOYAL TEXTILE MILLS LIMITED



S MUTHUKRISHNAN

Company Secretary & Compliance Officer

Membership No. F9420

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](http://www.loyaltextiles.com)



## **CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

### **1. Introduction**

The Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“SEBI PIT Regulations”) requires the Board of Directors of every listed company to formulate and publish on its official website, a code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information (events and occurrences) that could impact price discovery in the market for its securities.

The Board of Directors of Loyal Textile Mills Limited (“the Company”) formulated the Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information (“Code”) effective from May 30, 2019 in compliance with the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

The amended code would come into effect from August 12, 2025.

### **2. Objective**

The Code intends to formulate a defined framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Company’s securities and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations. The Company endeavours to preserve the confidentiality of Unpublished Price Sensitive Information and to prevent misuse of such information.

### **3. Unpublished Price Sensitive Information**

Unpublished Price Sensitive Information (“UPSI”) means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily include but not restricted to, information relating to the following;

- (i) financial results;
- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business (award or termination of order/contracts not in the normal course of business) and such other transactions;
- (v) changes in key managerial personnel (other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor)
- (vi) change in rating (s) , other than ESG rating(s);
- (vii) fund raising proposed to be undertaken;
- (viii) agreements, by whatever name called, which may impact the management or control of the company;
- (ix) fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad;
- (x) resolution plan/ restructuring or one – time settlement in relation to loans/borrowings from banks/financial institutions;
- (xi) admission of winding - up petition filed by any party / creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016;
- (xii) initiation of forensic audit, by whatever name called, by the company or any other entity for detecting misstatement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report
- (xiii) action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company.
- (xiv) outcome of any litigation(s) or dispute(s) which may have an impact on the company.
- (xv) giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business.
- (xvi) granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

#### **4. Principles of Fair Disclosure**

The Company shall adhere to the following principles to ensure timely and fair disclosure of UPSI:

- (i) Prompt public disclosure of UPSI that would impact price discovery, as soon as it has credible and concrete information, to make such information generally available.
- (ii) Uniform and universal dissemination of UPSI to avoid selective disclosure.
- (iii) Designation of a senior officer as a chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
- (iv) Prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- (v) Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities
- (vi) Ensuring that information shared with analysts and research personnel is not UPSI. The Company shall be careful while answering to the queries of analysts. Unanticipated questions shall be taken on notice and a considered response shall be given later.
- (vii) Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the Company's website to ensure official confirmation and documentation of disclosures made.
- (viii) Handling of all UPSI on a need-to-know basis. UPSI shall be disclosed to Company officials only after a proper clarification is sought as to the purpose for which the information is needed.

#### **5. Chief Compliance Officer and Chief Investor Relations Officer**

The Board of Directors of the Company has designated the Company Secretary as the Chief Compliance Officer (CCO) and the Chief Financial Officer as the Chief Investor Relations Officer (CIRO) of the Company to deal with dissemination of information and disclosure of UPSI.

The CCO and CIRO is responsible for dissemination of information and disclosure of UPSI. The CCO is also responsible for ensuring compliance under this code, overseeing and coordinating disclosure of UPSI to the stock exchanges, shareholders, analysts and media and for educating the Company's employees on disclosure policies and procedure.

All UPSI is to be handled on “need to know basis”, i.e., UPSI should be disclosed only to those who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information. All the non-public information directly received by any employee should immediately be reported to the CCO/CIRO.

Other than information which is price sensitive in accordance with the SEBI PIT Regulations or any other applicable law for the time being in force, the CCO in consultation with the Chairman/Managing Director shall decide whether an information is price sensitive or not.

All information disclosure/dissemination may normally be approved in advance by the CCO/CIRO. In case information is accidentally disclosed without prior approval of CCO/CIRO, the person responsible shall immediately inform the CCO/CIRO.

The CCO and CIRO shall ensure that no UPSI is disclosed selectively to any one or group of research analysts or investors to the disadvantage of other stakeholders.

## **6. Prompt disclosure of UPSI**

The Company will ensure that any event which has a bearing on the share price of the Company shall be disseminated promptly upon the conclusion of the event, by communicating the same to the stock exchanges in accordance with the SEBI PIT Regulations.

To ensure that the information is disseminated in an uniform manner, the Company will transmit the information to all the stock exchanges where the securities of the Company are listed, at the same time and shall also publish the same on the website of the Company viz. [www.loyaltextiles.com](http://www.loyaltextiles.com).

## **7. Disclosures to Analysts/Media and Research Personnel**

The Company will provide only public information to the analyst/media and research personnel. Whenever group meetings or earnings calls are organised, the Company will intimate the stock exchanges and host the details of the same on the Company’s website.

All UPSI shall be first communicated to the stock exchanges before the same is shared with Analysts/Media and Research personnel. Transcript of the earnings calls with Analysts shall be furnished to the stock exchanges and hosted on Company's website as per the timelines prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations').

## **8. Responding to Market Rumors**

Any queries or requests for verification of market rumor(s) by the Regulatory Authorities/Stock Exchanges shall be forwarded to the CCO/CIRO.

The CCO/CIRO shall promptly respond to any queries for verification of market rumors in line with Regulation 30(11) of SEBI Listing Regulations and the framework stipulated by the Stock Exchanges in this regard.

The CCO and/or CIRO and /or any other official(s) authorised by the Board of Directors of the Company shall give an appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities in line with Regulation 30(11) of SEBI Listing Regulations. They shall also be responsible for deciding whether a public announcement is necessary for verifying or confirming or denying rumors and making disclosures.

## **9. Policy for sharing of UPSI for legitimate purpose**

"Legitimate purpose" includes sharing of UPSI in the course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals, other advisors or consultants provided that such sharing has not been carried out to evade or circumvent the prohibitions of the SEBI PIT Regulations.

The UPSI should be shared where such communication is in furtherance of performance of duty(ies) and for discharge of legal obligation(s). It will be for any other genuine or reasonable purpose as may be determined by the CIO of the Company.

Any person in receipt of UPSI pursuant to a “legitimate purpose” shall be considered an “Insider” for purposes of this Code and due notice shall be given to such persons to make aware such person that the information shared is or would be UPSI and requiring them to maintain confidentiality of the UPSI in compliance with the Code and the SEBI PIT Regulations.

A structured digital database of such persons or entities as the case may be with whom information is shared under the SEBI PIT Regulations, which shall contain the Name of such recipient of UPSI, Name of the Organisation or entity to whom the recipient represents, Postal Address and E-mail ID of such recipient and the Permanent Account Number (PAN) or any other identifier authorised by law, if PAN is not available, shall be maintained. The database shall be maintained with adequate internal controls and checks, such as time stamping and audit trails to ensure non-tampering of such database is done.

The details of the UPSI being shared, needs to be necessarily captured in the Structured Digital Database, in line with the framework stipulated in the Code of Conduct to regulate, monitor and report trading by Designated Persons and the Guidelines with respect to maintenance of Structured Digital Database.

## **10. Amendment**

The Board of Directors of the Company from time to time, may amend the Code as per applicable laws, rules and regulations. The Code and any subsequent amendment(s) thereto, will be intimated to the Stock Exchanges and will also be hosted on the Company’s website at [www.loyaltextiles.com](http://www.loyaltextiles.com)

\*\*\*\*\*