

# LOYAL TEXTILE MILLS LTD

LOYAL

(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

Our New Divisional Office: "Karumuttu Centre"

7th Floor - North Wing, New No.634 (Old No.498),

Anna Salai, Nandanam, Chennai- 600035.

**REF: LOYAL/SEC/2025-26/037**

**May 12, 2026**

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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Sir / Madam,

**Sub: Annual Secretarial Compliance Report for the year ended 31.03.2026**

This is with reference to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we enclose herewith the Annual Secretarial Compliance Report for the year ended 31<sup>st</sup> March 2026, issued by the Practicing Company Secretary for your kind information and record.

Thanking You,

**Yours faithfully**

**For LOYAL TEXTILE MILLS LIMITED**

**Dr. V. Rajesh**  
**Company Secretary**  
**Membership No. F9213**

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





**SECRETARIAL COMPLIANCE REPORT OF  
LOYAL TEXTILE MILLS LIMITED FOR THE YEAR ENDED 31.03.2026  
[Pursuant to Regulation 24A (2) of the Securities Exchange Board of India (Listing  
Obligations and Disclosure Requirements) Regulations, 2015]**

To,

**LOYAL TEXTILE MILLS LIMITED**

**CIN: L17111TN1946PLC001361**

**Regd. Office: 21/4 MILL STREET, KOVILPATTI, TAMILNADU, INDIA 628 501**

We, **A. Mohan Kumar & Associates, Practicing Company Secretaries**, have examined:

- (a) all the documents and records made available to us and explanations/representations provided by **LOYAL TEXTILE MILLS LIMITED** having Corporate Identification Number L17111TN1946PLC001361 (“**the listed entity**”);
- (b) the filings/ submissions made by the listed entity to the BSE Limited (**BSE**) and National Stock Exchange of India Limited (**NSE**), where its equity shares are listed (“**the stock exchanges**”); with Scrip Code/Symbol of “**514036**” and “**LOYALTEX**” respectively;
- (c) website (<https://loyaltextiles.com/>) of the listed entity; and
- (d) any other documents/ filings, as may be relevant, which has been relied upon to make this certification

**for the financial year ended 31.03.2026 (“Review Period”)** in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“**SCRA**”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“**SEBI**”);

**The Specific Regulations (including amendments & modifications from time to time)**, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and amendments from time to time.

- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018– *Not Applicable; During the financial year under review, there were no allotment of shares by way of preferential issue.*
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- *During the financial year under review, the promoters of the company, have made necessary disclosure under this regulation and there were no transfer or acquisition of securities which comes under the ambit of this regulation, hence not applicable.*
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - *The Company has not bought back any of its securities during the financial year under review and hence not applicable;*
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – *Not Applicable; the company has not issued any Stock Options during the financial year under review.*
- (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - *Not Applicable; The Company has not issued any Non-Convertible Debentures during the financial year under review;*
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

and circulars/guidelines issued there-under; and based on the above examination, **we hereby report that**, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder **except** in respect of matters specified below:

Sr. No.	Compliance Requirement (Regulations/ Circulars/ guideline including specific clause)	Regulation /circular No.	Deviations	Action Taken by	Type of action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
-NIL-										

(b) The listed entity has taken the following actions to comply with the observations made in previous report/s issued for the financial year 31.03.2025:

Sr. No.	Observations/Remarks of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31.03.2025	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
-NOT APPLICABLE-						

(c) We hereby report that, during the review period the compliance status of the listed entity with the following requirements:

S. No.	Particulars	Compliance status (Yes/No/NA)	Observations /Remarks by PCS
1.	<p><b><u>Secretarial Standards</u></b></p> <p>The compliances of listed entities are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).</p>	Yes	-
2.	<p><b><u>Adoption and timely updation of the Policies:</u></b></p> <ul style="list-style-type: none"> <li>• All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities</li> <li>• All the policies are in conformity with SEBI Regulations and has been reviewed &amp; timely updated as per the regulations/circulars/guidelines issued by SEBI</li> </ul>	Yes  Yes	-  -
3.	<p><b><u>Maintenance and disclosures on Website:</u></b></p> <ul style="list-style-type: none"> <li>• The Listed entity is maintaining a functional website</li> <li>• Timely dissemination of the documents/ information under a separate section on the website</li> <li>• Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/ section of the website</li> </ul>	Yes  Yes  Yes	-  -  -

4.	<b><u>Disqualification of Director:</u></b> None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	-
5.	<b><u>Details related to Subsidiaries of listed entities have been examined w.r.t.:</u></b>  a) Identification of material subsidiary companies  b) Requirements with respect to disclosure of material as well as other subsidiaries	NA  NA	As the company did not have subsidiaries during review period hence the provisions pertaining to subsidiaries are not applicable.
6.	<b><u>Preservation of Documents:</u></b>  The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015	Yes	-
7.	<b><u>Performance Evaluation:</u></b>  The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	Yes	-
8.	<b><u>Related Party Transactions:</u></b>  (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions.  (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee.	Yes  NA	-

<p>9.</p>	<p><b><u>Disclosure of events or information:</u></b></p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.</p>	<p>Yes</p>	<p>According to the information made available to us,</p> <p>A structural failure occurred in a standby equalization tank at the company's unit, <b>Loyal Super Fabrics, Cuddalore</b>, following which the Department of Industrial Health and Safety (DISH), Cuddalore, initiated legal proceedings. The case is currently pending before the Chief Judicial Magistrate against the Factory Manager and the Occupier, and the company will assess the loss and disclose it to the Stock Exchange upon receipt of the final order.</p>
<p>10.</p>	<p><b><u>Prohibition of Insider Trading:</u></b></p> <p>The listed entity is in compliance with Regulation 3(5) &amp; 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015</p>	<p>Yes</p>	<p>The Company has been periodically recording the details related to closure of the trading window in its Structured Digital Database (SDD) software.</p> <p>We suggest recording the UPSI shared with designated persons including auditors and other consultants, wherever applicable, prior to the publication of financial results and other material events to further strengthen the SDD framework.</p>

11.	<p><b><u>Actions taken by SEBI or Stock Exchange(s), if any:</u></b></p> <p>No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder</p>	Yes	-
12.	<p><b><u>Resignation of statutory auditors from the listed entity or its material subsidiaries:</u></b></p> <p>In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.</p>	NA	No such resignations
13.	<p><b><u>Additional Non-compliances, if any:</u></b></p> <p>No additional non-compliance observed for all SEBI regulation/circular/guidance note etc. except as reported above.</p>	Yes	-
14.	<p><b><u>Disclosure about Employee Benefit Scheme Documents in terms of regulation 46(2) (za) of the SEBI (LODR) Regulations, 2015:</u></b></p> <p>(a) The scheme document has been uploaded on the website of the listed entity after obtaining shareholder approval as required under SEBI (SBEB) Regulations, 2021.</p> <p>(b) The documents uploaded on the website mandatorily have minimum information to be disclosed to shareholders as per SEBI (SBEB) Regulations, 2021</p> <p>(c) The rationale for redacting information from the documents and the justification as to how such redacted information would affect competitive position or reveal commercial secrets of the listed entity was placed before the board of directors for consideration and approval.</p>	<p>NA</p> <p>NA</p> <p>NA</p>	<p>The company did not have any employee benefit scheme during the review period thus, the said regulations are not applicable.</p> <p>-</p> <p>-</p>

We further report the following:

1. It was observed that the Company has entered into a Joint Venture Agreement with M/s. Gruppo P&P Loyal S.P.A, Italy, as an Overseas Direct Investment, wherein the Company holds 47.5% of the total shareholding. Accordingly, the Company is required to comply with applicable Reserve Bank of India (RBI) regulations, including but not limited to the filing of the Foreign Liabilities and Assets (FLA) Return and submission of the Annual Performance Report (APR) in respect of the said foreign investment.

**Management's Response:** The Management has stated that the Company is taking necessary steps, including initiating compounding proceedings with the relevant RBI authority, in respect of the above matter.

2. The company convened a postal ballot for obtaining shareholders' approval for entering into Material Related Party Transactions with its Joint Venture – Gruppo P&P Loyal S.P.A. The scrutinizer submitted his report dated 31/03/2026 in which the votes cast (in favour) by the promoter group has also been taken into consideration for the said agenda item along with public. The management has stated that, the votes cast by the public shareholders, excluding the promoter group's votes, have exceeded the requisite majority and accordingly the resolution is passed.

**For A. Mohan Kumar & Associates  
Practicing Company Secretaries**

ARAVAMUDHAN MOHAN KUMAR  
Digitally signed by  
ARAVAMUDHAN MOHAN KUMAR  
Date: 2026.05.11 17:13:45 +05'30'

A. Mohan Kumar  
Partner

Membership Number: FCS 4347  
Certificate of Practice Number: 19145  
Peer review Certificate No. 6842/2025  
UDIN: F004347H000329309

Place: Chennai  
Date: 11/05/2026

*This Report is to be read with my testimony of even date that is annexed as **Annexure A** and forms an integral part of this report.*

To,

**LOYAL TEXTILE MILLS LIMITED [CIN: L17111TN1946PLC001361]**

**My Secretarial Compliance Report of even date for the financial year ended 31<sup>st</sup> March 2026 is to be read along with this Annexure.**

1. The management of the listed entity is responsible for maintenance of records and compliance with the provisions of the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”).
2. We have followed the audit practices and processes as were considered appropriate to obtain reasonable assurance about the correctness of the contents of the said records.
3. While forming an opinion on compliance and issuing this report. We have taken an overall view based on the compliance process and procedures followed by the listed entity, and have considered compliance related actions taken by the listed entity after 31<sup>st</sup> March 2026, but before the issue of this report.
4. We have considered compliance related actions taken by the listed entity based on independent legal/profession opinion obtained, as being in compliance with law, wherever there was scope for multiple interpretations. We have relied on confirmations by the listed entity and its representatives for the purposes of reporting as to the actions, if any, taken against the listed entity, its promoters or directors, by SEBI or the stock exchanges under the SEBI or the SCRA.
5. We have verified the records furnished to us on a test basis to see whether the correct facts are reflected therein. We have also examined the compliance procedures followed by the listed entity on a test basis. We believe that the processes and practices. We followed provide a reasonable basis for our opinion.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
7. Wherever required, we have obtained the Management representation about the Compliance of laws, rules, regulations, circulars and guidelines issued by SEBI under SEBI Act and SCRA and the happening of events etc.
8. The Secretarial Compliance report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
9. This report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (LODR) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

**For A. Mohan Kumar & Associates  
Practicing Company Secretaries**

ARAVAMUDHAN Digitally signed by  
MOHAN KUMAR ARAVAMUDHAN MOHAN KUMAR  
Date: 2026.05.11 17:14:28 +05'30'

A. Mohan Kumar & Associates

Partner

Membership Number: FCS 4347

Certificate of Practice Number: 19145

Peer review Certificate No. 6842/2025

Place: Chennai

Date: 11/05/2026