

M. K. BASHYAM, F.C.S.
Company Secretary in Practice

Old No.9A, New No. 43,
Palmal Cross Street
Madurai – 625 001
Ph No: 0452 - 2338121

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

(Format as per Regulation 55A of the SEBI
(Depositories and Participants) Regulations, 1996)

I have examined the Register of Members, beneficiary details furnished by the Depositories and other records / documents maintained by **M/s Loyal Textile Mills Limited** (hereinafter referred to as "the Company") and its Registrars and Share Transfer Agents, M/s GNSA Infotech Limited, for issuing this certificate, in accordance with Regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996

In my opinion and to the best of my knowledge and according to the information and explanations given to me and based on such verification as considered necessary, I hereby give my Reconciliation of Share Capital Audit Report:

1. For Quarter ended : **30th September, 2011**
2. ISIN : INE970D01010
3. Face Value : Rs.10 per share

4. Name of the Company : **Loyal Textile Mills Limited**
5. Registered Office Address : 21/4, Mill Street, Kovilpatti : 628 501
6. Correspondence Address : No.83, I Main Road, RA Puram, Chennai : 600 028
7. Telephone No. : 044 - 42277374
Fax No. : 044 - 43060622
8. Email address : investors@loyaltextiles.com

9. Names of the Stock Exchanges where the Company's securities are listed:
Bombay Stock Exchange Limited, Mumbai

	No. o Shares	% of Total Issued Capital
10. Issued Capital	48,16,446	100.00%
11. Listed Capital (as per Company records) in all exchanges	47,03,946	97.66%
12. Held in Dematerialised Form in CDSL	1,24,892	2.594%
13. Held in Dematerialised Form in NSDL	7,32,082	15.199%
14. Physical	39,59,472	82.207%
15. Total No. of shares (12+13+14)	4,816,446	100.00%
16. Reasons for Difference, if any, between (10&11) and (11&15)****	112,500 Equity Shares have been allotted in pursuance with the High Court Order Vide Company Petition 38 & 39 of 2011, dated 11 th April 2011 of MADRAS Jurisdiction with respect to the Amalgamation of Shri Chintamani Textile Mills Limited with Loyal Textile Mills Limited.	

****** Waiting for the approval of the Bombay Stock Exchange for listing of additional 1,12,500 Equity Shares.**

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17. Certifying the details of changes in share capital during the quarter under consideration as per Table below:

Particulars***	No. of shares	Applied/Not applied for listing	Listed on Stock exchanges (Specify names)	Whether intimated to CDSL	Whether intimated to NSDL	In-principle approval pending for SE (Specify names)
NOT APPLICABLE						

*** Rights, Bonus, Preferential Issue, ESOPs, Amalgamation, Conversion, Buyback, Capital Reduction, Forfeiture, Any other (to specify)

18. Register of Members is updated (Yes / No) : Yes
If not, updated up to which date : Not applicable

19. Reference of previous quarter with regards to excess dematerialized shares, if any: Not Applicable

20. Has the Company resolved the matter mentioned in Point No. 19 above in the current quarter?
If not, reason why? : Not Applicable

21. Mentioned the total no. of requests, if any, confirmed after 21 days and the total number of requests pending beyond 21 days with the reasons for delay:

Total No. of Demat requests	No. of requests	No. of shares	Reasons for delay
Confirmed after 21 days	Nil	Nil	Not Applicable
Pending for more than 21 days	Nil	Nil	Not Applicable

22. Name, Telephone & Fax No. of the Compliance Officer of the Company:

Name : Mr. Shiva Prasad Padhy
Telephone No. : 044 – 42277374
Fax No. : 044 – 43060622

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23. Name, Address, Tel. & Fax No., Registration No. of the certifying CA/CS:

Name : Mr. M K Bashyam F.C.S.
Address : Old No. 9A, New No. 43, Palmal Cross Street,
Madurai : 625 001
Telephone No. : 0452 – 2338121
Fax No. : Not available
Registration No. : CP No. 3837 FCS 600

24. Appointment of Common Agency for share registry work. If yes (name & address) Yes

Name : GNSA Infotech Ltd.
Address : G R Mansion, No.11, Srinivasan Road, Pondy Bazaar, T Nagar,
Chennai : 600 017
Telephone No. : 044 – 42962230

25. Any other detail that the CA/CS may like to provide (e.g. BIFR company, delisting from SE) :
Nil

Sd/-
M. K. BASHYAM, F.C.S.

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MADURAI
11th October 2011