GTN
TEXTILES

Ref. GTNC/16

Date : May 2, 2016

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI – 400 001

The Manager,
Listing Department,
The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor, Plot No.C/1, G-Block,
Bandra-Kurla Cmplx, Bandra (E),
MUMBAI – 400 051

Dear Sirs,

Sub: Intimation regarding Lockout of our Plant at Aluva, Kerala
Ref: GTN TEXTILES LIMITED

The Management of GTN Textiles Limited would like to inform you that we were constrained to declare a Lockout at our Spinning Plant at Aluva, Kerala with effect from Monday, the 2nd May, 2016.

The Unions and the Management have been discussing a new Long Term Settlement for the past 1 ½ years and the matter could not be settled due to unreasonably high and exorbitant wage demand of nearly 100% more than the current emoluments. The existing wages are already one of the highest in the country for a Spinning Mill. From November 2015 the workmen resorted to frequent illegal strikes, work stoppages and created an atmosphere of threat and coercion. As a result, from the normal capacity utilization of 97%, from November 2015 the utilization steeply came down due to non-co-operative attitude of the workmen and from mid March 2016 the utilization level came down to below 60% and continued in April also, resulting in substantial losses of crores of rupees.

The Regional Joint Labour Commissioner, Cochin held 16 conciliation meetings between November 2015 and 15th March, 2016 but due to the adamant attitude of the unions no settlement could be arrived at. At a meeting called by the Labour Commissioner of the State at Cochin on 1st April, 2016, the Commissioner advised the Unions and the Workmen to restore normalcy and resume full productivity so that a meaningful dialogue can be restarted. Unfortunately, the Unions totally chose to ignore his impassioned plea and continued with their illegal and unjustified action.

Under the circumstances, it became impossible for the management to operate the Plant effectively and we were forced to declare a lockout with effect from 2nd May, 2016.

This is for your kind information.

Thanking you,

Yours faithfully,
For GTN TEXTILES LIMITED

E K Balakrishnan
Company Secretary

GTN TEXTILES LIMITED
CIN: L18101KL2005PLC018062

MARKETING / HEAD OFFICE :
3rd Floor, Palal Towers, M.G. Road, Ravipuram, Kochi-682 016, India
Phone : 91-484-3928300, Fax: 91-484-2370812/3928380
E-mail: cs@gtntextiles.com

REGISTERED OFFICE :
Door No. VIII/911, Erumathala P.O., Aluva - 683 112, India
Phone: 91-484-3080100, Fax: 91-484-2838585
E-mail: alw@gtntextiles.com

CORPORATE OFFICE :
43, Mittal Chambers, 4th Floor, 228, Nariman Point, Mumbai-400 021 India.
Phones: 91-22-2202 1013 / 22028246, Fax: 91-22-2287 4144
E-mail: mumbai@gtntextiles.com
www.gtntextiles.com

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