



PIONEER GROUP

Date : 1st August, 2022
Ref. : BSE/NSE-34/2022-2023.

To,
The Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai- 400051.
Company Code: PIONEEREMB
Company ISIN: INE156C01018

Dear Sir,

Sub. : Clarification | Regulation 30 of LODR | Outcome of Board Meeting

Ref : i. Your email dated July 29, 2022

ii. Outcome of the Board Meeting of Pioneer Embroideries Limited (PEL) held on July 29, 2022

This is with reference to the clarification sought by your good office, as mentioned above. Please find our point-wise replies to your queries

1. Closure of operations of any unit/division - (entirety or piecemeal):

Closure of entire division situated at Coimbatore is to take place.

Land and Building are to be disposed off entirely.

PEL shall transfer Bobbin Lace machines to its existing factory at Sarigam, Gujarat, while the old, low-speed embroidery machines would be disposed, as these have already served their useful life.

2. Date of such binding agreement, if any, entered for sale of such unit/division, if any:

As on date, no binding Agreement has been entered for sale of Coimbatore Unit. We shall inform the exchanges whenever such an agreement would be executed.

3. Amount and percentage of turnover or revenue or income and net worth of the listed entity contributed by such unit or division during the last financial year:

- Sales from the Coimbatore unit in the previous Financial Year FY2021-22 was Rs.6.70 crores for embroidery and Rs.1.80 crores for bobbin laces, totalling Rs.8.50 crores. This is about 2.90% of total sales of the Company during the same Financial Year.
- Estimating the share of profit from the Coimbatore Unit is not possible, since the sales, marketing and exports of EL products is centralised and proper allocation of all overheads is impractical.
- Coimbatore Unit's contribution to the networth of the Company is also not ascertainable, as it is only a division. However, we wish to mention that the total net fixed assets of the Coimbatore

PIONEER EMBROIDERIES LIMITED

.... a stitch ahead of time

Corp. Off.: Unit No. 21 to 25, 2nd Floor Orient House, 3-A Udyog Nagar, Off S. V. Road, Goregaon (West), Mumbai - 400062.

Tel.: 022-4223 2323 • Fax : 022-4223 2313 • E-mail : mumbai@pelhakoba.com • Website : www.pelhakoba.com

Regd. Off.: 101-B, Abhishek Premises, Plot No. C 5-6, Dalia Industrial Estate, Off. New Link Road, Andheri (West), Mumbai - 400 058. CIN :- L17291MH1991PLC063752

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Unit were roughly Rs.1.89 crores as on the year end FY 2021-22, while the total net fixed assets of the Company stood at Rs.78.27 crores.

4. Reasons for closure:

The Company had earlier announced its strategic initiative of modernising and consolidating EL business, and to shut down its existing labour-intensive embroidery manufacturing units. PEL is working towards setting up a greenfield embroidery facility at Shree Ganesh Integrated Textile Park, Degaon, Dhule, Maharashtra, and all manufacturing capabilities would get consolidated here to benefit from enhanced efficiency and economies of scale.

Trust the above is to your satisfaction. We would be pleased to share any further details, whenever required.

Thank you,

Yours faithfully,

For PIONEER EMBROIDERIES LIMITED

Ami S Thakkar



(AMI THAKKAR)

Company Secretary & Compliance Officer

Membership No.: FCS 9196

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