



PIONEER GROUP

Date : 29th July, 2022
Ref. : BSE/NSE-33/2022-2023.

To,
Dept. of Corporate Services,
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.
Company Code: 514300
Company ISIN: INE156C01018

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. : OUTCOME OF THE BOARD MEETING HELD ON 29TH JULY, 2022

We wish to inform you that the Board of Directors of the Company at its meeting held today i.e. 29th July, 2022 through video conferencing or other audio video mode, inter-alia to transact the following business:

I. Intimation under SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 Board has inter-alia considered and approved the following:

- a. Closure of Company's labour Intensive Embroidery unit at Coimbatore with effect from 31st July, 2022, AND
- b. Sale of Coimbatore unit assets, with proceeds being utilised for the proposed modern, greenfield manufacturing facility.

The meeting of the Board of Directors of the Company commenced at 10.00 a.m. and concluded at 10.30 a.m.

Press Release is also enclosed herewith.

We request you to take the above information on your records.

Thanking you,

Yours faithfully,
For PIONEER EMBROIDERIES LIMITED

Ami S Thakkar

(AMI THAKKAR)
Company Secretary & Compliance Officer
Membership No.: FCS 9196
Encl: As Above

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

® hakoba

Embroidery beyond *your* imagination



Pioneer moves ahead on consolidating and modernising its Embroidery Business

- **Closing down labour-intensive Embroidery unit at Coimbatore**
- **Sale proceeds to be used in greenfield, state-of-the-art embroidery unit at Dhule**

Mumbai, July 29, 2022, Pioneer Embroideries Limited (PEL), one of the key players in the Embroidery & Laces (EL) business in India and owner of brand "**HAKOBA**", is shutting down its labour-intensive embroidery manufacturing unit at Coimbatore. The factory land and building will be monetised, and the old, low-speed embroidery machines would also be disposed off, as these have already served their useful life. The Company shall shut down Coimbatore manufacturing unit, effective July 31, 2022.

PEL continues its strategic initiative of modernising and consolidating EL business. PEL had earlier announced that existing embroidery units will be sold over a period of time and it would consolidate its embroidery business at Shree Ganesh Textile Park, Degaon, Dhule, to benefit from enhanced efficiency and economies of scale

PEL enjoys good marketing reach and distribution network to cater to the domestic and overseas customers. In the near term, PEL will outsource embroidery manufacturing to serve its customers and retain overall current level of business. PEL shall also transfer Bobbin Lace machines to its existing factory at Sarigam, Gujarat, over the next two months, and does not expect any loss of business in the meantime.

PEL will use sale proceeds towards ongoing state of the art new embroidery project at Shree Ganesh Integrated Textile Park, Degaon, Dhule, Maharashtra.

Hence, Coimbatore closure will have insignificant impact on the overall sales and would prove EBIDTA accretive over medium-to-long term.

About Pioneer Embroideries Limited:

Established in 1991 by Mr Raj Kumar Sekhani, Pioneer Embroideries Limited ("PEL") is one of India's notable manufacturers and exporter of value-added Specialized Polyester Filament Yarn and Embroidery & Laces. It has a state-of-the-art SPFY manufacturing facility at Himachal Pradesh and three Embroidery & Laces manufacturing facilities in Gujarat, Dadra & Nagar Haveli and Tamil Nadu.

Within a few years, PEL has carved a permanent niche for itself in the SPFY business worldwide, with best-in-class quality under the **SILKOLITE** brand. PEL has a yarn capacity of about 18,000 MT pa. The Company's products find application mainly in the non-apparel segment, used in carpets, bath mats, upholstery fabrics, and curtains. PEL became one of the first textile companies to create a brand in a highly commoditized yarn business.

PEL has a capacity of around 14 mm meters for laces and about 1,700 mn stitches of embroidery. PEL's products enjoy a premium in the marketplace because of better quality, design, and capacity. Owners of the heritage brand – **Hakoba** – PEL has over the years added strength to the brand by building upon an extensive library of embroidery designs, making Hakoba synonymous with high-quality embroidery across the world.

At present, the Company has two active embroidery and lace manufacturing facilities at – Naroli (UT DN&H) and Sarigam (Gujarat), along with a wide marketing presence at all the major markets.

Safe harbour statement:

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project-related issues, are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The Company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions, or other factors.

