



PIONEER GROUP

Date : 29th December, 2021
Ref. : BSE/57/2021-2022.

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/ Madam,

Sub. : Press Release – Update on Pioneer’s Expansion in SPFY Capacity.

Dear Sir/Madam,

In terms of Regulation 30 of SEBI (LODR) Regulations, 2015, please find enclosed the Press Release with the title – “Update on Pioneer’s Expansion in SPFY Capacity”.

We request you to take the same on your records.

Thank 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

p. 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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PIONEER GROUP

Update on Pioneer's Expansion in SPFY Capacity

- **Construction in full swing adjoining its existing factory land. Order for major equipment placed with leading German manufacturer.**
- **Project remains on course for commercial production in Q4 FY 2022-23. Envisages jump of about 45% in existing SPFY capacity to 26,000 MT p a**

Mumbai, December 29th, 2021, Pioneer Embroideries Limited (PEL), one of the key players and owners of brand "**SILKOLITE**" in Specialty Polyester Filament Yarn (SPFY), is moving ahead with its expansion project in SPFY as per schedule.

The Company has already placed the order for major equipment with a Germany-based manufacturer of quality textile extrusion equipment, along with advance payments, which would enable it to secure delivery by Q3 FY 2022-23. The equipment is being primarily financed through a German Bank. Construction work on the land adjoining the Company's existing manufacturing plant at Kala Amb, Himachal Pradesh, is progressing well, with the foundation work already completed.

The Company has till date incurred capital expenditure of over INR 750 lac, presently funded through internal accruals, and is negotiating financial closure with its lenders.

As communicated earlier, with this expansion, PEL plans to improve its presence in newer segments like home textiles and technical textiles, and would be primarily manufacturing **POY (Partially Oriented Yarn)** and **DTY (Draw Textured Yarn)**-based speciality textile products. These products, non-apparel in nature, have buoyant demand in both domestic and international markets.

The SPFY business contributes close to 90% of PEL's turnover, and in the first half of the current year, the business clocked revenues of approximately INR 12,740 lac, up from about Rs 6,970 lac in the previous corresponding period. As the average capacity utilisation is high, proposed increase in capacity should result in enhanced turnover without a major time lag.

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. PEL's products find application mainly in the non-apparel segment, used in carpets, bath mats, upholstery fabrics, and curtains. PEL is 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 three embroidery and lace manufacturing facilities at – Coimbatore

(Tamil Naidu), Naroli (UT DN&H) and Sarigam (Gujarat), along with a wide marketing presence at all the major markets. Its Coimbatore facility is certified as per **GOTS (Global Organic Textile Standard)**, an internationally-recognized standard.

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.

For further information, please contact corporate communication advisor:



Sunil Mudgal - Director

sunil@kirinadvisors.com

M - 9869275849

SILKOLITE
Scale to Value....

hakoba
Embroidery beyond your imagination

