



SANJAY DHOLAKIA & ASSOCIATES

BCOM LLB FCS

COMPANY SECRETARIES

GP 15, 2nd Floor, Raghuleela Mall, Behind Poinsur Bus Depot, Kandivali (West), Mumbai - 400 067.
☎ : 31578826 / 49713233 / 98700 31365 • E-mail : sanjayrd65@gmail.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
PIONEER EMBROIDERIES LIMITED
CIN No. L17291MH1991PLC063752
Mumbai.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PIONEER EMBROIDERIES LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March,2023 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March,2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - (Not applicable to the Company during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;



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- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period);
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non Convertible Securities) Regulations, 2021; (Not applicable to the Company during the Audit Period);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period);
- (h) The Securities and Exchange of Board of India (Buy-back Regulation), 2018; (Not applicable to the Company during the Audit Period);
- (i) As per Management representation letter following are laws applicable specifically to Company:
 - 1. Factories Act, 1948;
 - 2. Industries (Development & Regulation) Act, 1951;
 - 3. Labour Laws and other incidental laws related to labour and employees appointed by the company either on its payroll or on contractual basis as related to wages, gratuity, bonus, provident fund, ESIC, compensation etc.;
 - 4. Acts prescribed under prevention and control of pollution;
 - 5. Acts prescribed under Environmental protection;
 - 6. Acts as prescribed under Direct Tax and Indirect Tax;
 - 7. Land Revenue laws of respective States;
 - 8. Labour Welfare Act to respective States;
 - 9. Trade Marks Act 1999 & Copy Right Act 1957;
 - 10. The Legal Metrology Act, 2009;
 - 11. Acts as prescribed under Shop and Establishment Act of various local authorities.
 - 12. Local Laws as applicable to various offices and plants;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations 2015.

The listed entity has taken the actions to comply with the observations made in previous reports issued for the financial year ended 31st March, 2022 and annexed in Table-A.

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations and Guidelines, Standards as mentioned above.



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I further report & confirm that the company has maintained Structured Digital Database in compliance with the Regulation 3(5) and 3(6) of Securities And Exchange Board Of India (Prohibition Of Insider Trading) Regulations, 2015 for the year ended 31.03.2023.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions of the Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

I further report that as per the explanations given to me and the representations made by the Management and relied upon by me there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with my letter of even date which is annexed as Annexure 1 and forms an integral part of this Report:

FOR SANJAY DHOLAKIA & ASSOCIATES

SANJAY R DHOLAKIA
Practicing Company Secretary
Proprietor

Membership No.: FCS 2655
CP No.: 1798
Peer Reviewed Firm No. 2036/2022

Date: 28/08/2023
Place: Mumbai

UDIN: F002655E000879080



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Annexure 1 (forming part of Secretarial Audit Report)

To,
The Members,
PIONEER EMBROIDERIES LIMITED
CIN No. L17291MH1991PLC063752
Mumbai

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the practices and processes, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR SANJAY DHOLAKIA & ASSOCIATES

SANJAY R DHOLAKIA
Practicing Company Secretary
Proprietor

Membership No.: FCS 2655
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Table –A

b) The listed entity has taken the following actions to comply with the observations made in previous reports.

Sr. No.	Compliance Requirement (Regulations/Circulars/Guidelines including specific clause)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations /Remarks Of The Practicing Company Secretary	Management Response	Remarks
1	Regulation 17(1) of SEBI (LODR) Regulations pertaining to Board Composition for the quarter ended 30 th June, 2021	Compliance under regulation 17(1) of SEBI (LODR) Regulations pertaining to Board Composition	Non- compliance under regulation 17(1) of SEBI (LODR) Regulations pertaining to Board Composition	BSE	Imposition of Fine under SEBI SOP circular no. SEBI/HO/CF D/CMD/CIR/ P/2020/12 dated January 22,2020	Non- compliance under regulation 17(1) of SEBI (LODR) Regulations pertaining to Board Composition	Rs. 2,59,600/-	The company filed waiver application and decision awaited from BSE	The company filed waiver application and decision awaited from BSE.	
2	Regulation 17(1) and 17(1A) of SEBI (LODR) Regulations pertaining to Board Composition and appointment of	Compliance under regulation 17(1) and 17(1A) of SEBI (LODR) Regulations pertaining to Board Composition and appointment of non-executive director who	Non- compliance under regulation 17(1) and 17(1A) of SEBI (LODR) Regulations pertaining to Board Composition and appointment of	BSE	Imposition of Fine under SEBI SOP circular no. SEBI/HO/CF D/CMD/CIR/ P/2020/12	Non- compliance under regulation 17(1) and 17(1A) of SEBI (LODR) Regulations pertaining to Board Composition and appointment of non-executive director	Rs. 3,33,940/-	The Company has paid fine of Rs. 1,39,240/- against, regulation 17(1A) of SEBI (LODR) Regulations	The Company has paid fine of Rs. 1,39,240/- against, regulation 17(1A) of SEBI (LODR) Regulations, under protest to the BSE Limited (BSE).	

	non-executive director who attained the age of seventy five years for the quarter ended 30 th September, 2021	attained the age of seventy five years	non-executive director who attained the age of seventy five years		dated January 22,2020	who attained the age of seventy five years		under protest to the BSE Limited (BSE). Waiver application for regulation 17(1A) rejected against which Personal hearing awaited from BSE	Waiver application for regulation 17(1A) rejected against which Personal hearing awaited from BSE.	
3	Regulation 17(1A) of SEBI (LODR) Regulations pertaining to an appointment of non-executive director who attained the age of seventy five years for the quarter ended 31 st December, 2021	Compliance under regulation 17(1A) of SEBI (LODR) Regulations pertaining to an appointment of non-executive director who attained the age of seventy five years	Non-compliance under regulation 17(1A) of SEBI (LODR) Regulations pertaining to an appointment of non-executive director who attained the age of seventy five years	BSE	Imposition of Fine under SEBI SOP circular no. SEBI/HO/CF D/CMD/CIR/P/2020/12 dated January 22,2020	Non-compliance under regulation 17(1A) of SEBI (LODR) Regulations pertaining to an appointment of non-executive director who attained the age of seventy five years	Rs. 1,69,920/-	The Company has paid fine under protest to the BSE Limited (BSE). Waiver application made. Decision awaited from BSE.	The Company has paid fine under protest to the BSE Limited (BSE). Waiver application made. Decision awaited from BSE.	
4	Regulation 17(1) of SEBI (LODR) Regulations for the quarter ended 30 th June, 2021 and 30 th September, 2021	Compliance under Regulation 17(1) of SEBI (LODR) Regulations pertaining to Board Composition	Non-compliance under regulation 17(1) of SEBI (LODR) Regulations pertaining to Board Composition	NSE	Imposition of Fine under SEBI SOP circular no. SEBI/HO/CF D/CMD/CIR/P/2020/12 dated January 22,2020	Non-compliance under regulation 17(1) of SEBI (LODR) Regulations pertaining to Board Composition	Rs. 4,54,300/-	The Company filed waiver application, which was not considered favourably by Committee. The Company has paid fine under protest to the National stock Exchange	The Company filed waiver application, which was not considered favourably by Committee. The Company has paid fine under protest to the National stock Exchange of India Limited (NSE). The Company filed an	

								of India Limited (NSE). The Company filed an Appeal before Hon'ble Securities Appellate Tribunal (SAT), Mumbai against the decision of NSE rejecting company's waiver application, which was admitted by SAT. The next date of hearing before SAT for argument is 05.09.2023.	Appeal before Hon'ble Securities Appellate Tribunal (SAT), Mumbai against the decision of NSE rejecting company's waiver application, which was admitted by SAT. The next date of hearing before SAT for argument is 05.09.2023.	
5	Regulation 17(1A) of SEBI (LODR) Regulations for the quarter ended 30 th September, 2021	Compliance under regulation 17(1A) of SEBI (LODR) Regulations pertaining to an appointment of non-executive director who attained the age of seventy five years	Non-compliance under regulation 17(1A) of SEBI (LODR) Regulations pertaining to an appointment of non-executive director who attained the age of seventy five years	NSE	Imposition of Fine under SEBI SOP circular no. SEBI/HO/CF D/CMD/CIR/P/2020/12 dated January 22,2020	Non-compliance under regulation 17(1A) of SEBI (LODR) Regulations pertaining to an appointment of non-executive director who attained the age of seventy five years	Rs. 1,39,240/-	The Company has paid fine under protest to the National stock Exchange of India Limited (NSE). The Company filed waiver application which was not considered	The Company has paid fine under protest to the National stock Exchange of India Limited (NSE). The Company filed waiver application which was not considered favourably by NSE.	

								favourably by NSE.		
6	Regulation 17(1A) of SEBI (LODR) Regulations for the quarter ended 31 st December, 2021	Compliance under Regulation 17(1A) of SEBI (LODR) Regulations pertaining to an appointment of non-executive director who attained the age of seventy five years	Non-compliance under regulation 17(1A) of SEBI (LODR) Regulations pertaining to Board Composition & an appointment of non-executive director who attained the age of seventy five years	NSE	Imposition of Fine under SEBI SOP circular no. SEBI/HO/CF D/CMD/CIR/P/2020/12 dated January 22,2020	Non-compliance under regulation 17(1A) of SEBI (LODR) Regulations pertaining to an appointment of non-executive director who attained the age of seventy five years	Rs. 1,69,920/-	The Company has paid fine under protest to the National stock Exchange of India Limited (NSE). The Company filed waiver application which was not considered favourably by NSE.	The Company has paid fine under protest to the National stock Exchange of India Limited (NSE). The Company filed waiver application which was not considered favourably by NSE.	

FOR SANJAY DHOLAKIA & ASSOCIATES

SANJAY R DHOLAKIA

Practicing Company Secretary

Proprietor

Membership No.: FCS 2655

CP No.: 1798

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