PIONEER GROUP

Date : 15th July, 2024
Ref. : BSE/NSE/CSE/29/2024-2025.

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

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

To,
The Listing Department,
Calcutta Stock Exchange Ltd,
7, Lyons Range, 4th Floor,
Kolkata – 700 001.
Company Code: 26033
Company ISIN: INE156C01018

Dear Sir,

Sub. : SUBMISSION OF NOTICE AND ANNUAL REPORT OF 32ND ANNUAL GENERAL MEETING OF THE COMPANY FOR THE FINANCIAL YEAR 2023-2024.

Pursuant to Regulation 34(1) and Regulation 30(2) read with Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the Financial Year 2023-2024 along with the Notice of 32nd Annual General Meeting. The Annual Report for the Financial Year 2023-2024 is also available on the website of the Company i.e. www.pelhakoba.com.

The Company has provided its members the facility to cast their vote(s) on all resolutions set out in the Notice by electronic means ('e-voting'). The detailed process to join meeting through VC /OAVM and e-voting, is set out in Notice.

Kindly take the above information on record.

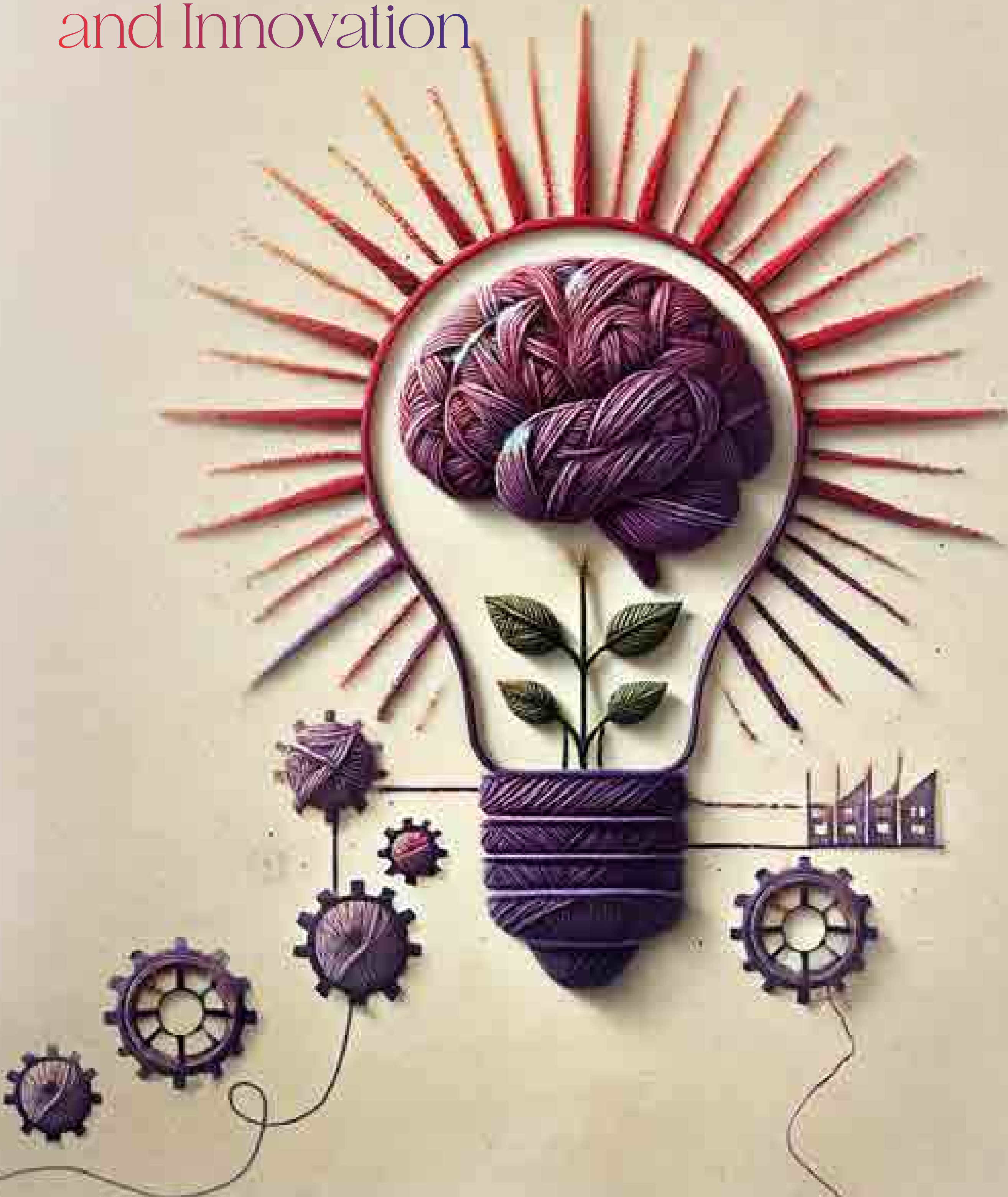
Thanking you,
Yours faithfully,
For PIONEER EMBROIDERIES LIMITED

Ami Samir Thakkar
Digitally signed by Ami Samir Thakkar
Date: 2024.07.15 17:01:51 +05'30'

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

Fueling Growth with Capacity and Innovation

PIONEER EMBROIDERIES LIMITED



32nd Annual Report 2023-24

SILKOLITE
Scale to Value....

hakoba

Index

This Annual Report can be downloaded from our website at

https://www.pelhakoba.com/wp-content/uploads/2024/07/Pioneer-Embroideries-Ltd-FY23-24-Final.pdf

PIONEER GROUP

Fueling Growth with Capacity and Innovation

Pioneer Embroideries Limited (PEL) is strategically capitalizing on its expanded capacities and innovative product offerings to drive an enhanced growth trajectory. Our Specialized Polyester Filament Yarn (SPFY) and Embroidery and Laces (EL) businesses have shown substantial progress, reflecting our successful expansion efforts. By focusing on high-value, innovative products like recycled and biodegradable yarns, we are well-positioned to capture new market opportunities. Strong domestic demand and the development of new export markets further bolster our growth outlook. As we continue to optimize capacity utilization and refine our product mix, we anticipate a robust performance that will propel PEL along an accelerated growth trajectory, even amid challenging macroeconomic conditions.

Company Overview

Established in 1991 by Mr. Raj Kumar Sekhani, Pioneer Embroideries Limited ("PEL") is one of India's notable manufacturer and exporter of value-added Specialized Polyester Filament Yarn (SPFY) and Embroidery & Laces (EL).

It has a state-of-the-art SPFY manufacturing facility at Himachal Pradesh, and three Embroidery & Laces manufacturing facilities in Maharashtra, Gujarat, Dadra & Nagar Haveli, along with a wide marketing presence at all the major markets.

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 26,000 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 Company to create a brand in a highly commoditized yarn business.

PEL has a capacity of around 14 mn meters for braided laces and about 2,000 mn stitches of embroidery. PEL's products enjoy premium in the marketplace because of better quality, designing, 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 to high-quality embroidery across the world.

Pioneer Group has established an impeccable reputation and carved a permanent niche for itself in the industry throughout the world.

The Company is listed on NSE **(PIONEEREMB)**, BSE **(514300)** and **CSE (26033)**.

Mission
Pioneer is dedicated to delivering products and services with integrity and accountability, using both proven and innovative methods

Vision
To make Pioneer a place of choice to work and grow

FY24 - STANDALONE

Revenue	EBITDA	PAT	Book Value
₹ 336.2 Cr.	₹ 26.4 Cr. Margin 7.7%	₹ 3.9 Cr. Margin 1.15%	₹ 50.64

Over 3 Decades Of Experience
In Manufacturing Yarn, Embroidery And Laces

300,000+ Designs In Library
Embroidery & Laces

Footprints in 25+ Countries

1200+ Colour Shades In Library
Specialized Polyester Filament Yarn

Direct & Indirect Exports Contribute Over 60% To The Total Revenue

1000+ Team Members Embracing Our Culture And Delivering Value

4 Manufacturing Facilities
One Of SPFY
Three Of EL

Integrated Manufacturing Operations

Key Brands

SILKOLITE

hakoba

Manufacturing Capacity

26,000
MTPA Of SPFY

14+
Million Meters of Braided Laces

2,000+
Million Stitches of Embroidery

Journey So Far

01 1991
Mr. Raj Kumar Sekhani incorporated Pioneer Embroideries Ltd.

02 1994
Setup first embroidery manufacturing plant at Sarigam, Gujarat

03 1995
Setup marketing offices at Mumbai, New Delhi, Kolkata and Chennai

04 1996
Setup crochet lace braiding unit at Dadra, which was expanded by over ten-fold capacity in 1999

05 1997
Expanded embroidery capacity by introduction of new plant at Naroli

06 1998
Setup embroidery dyeing and processing facility at Sarigam

07 1999
Expanded Braided Lace unit capacity by ten-folds

08 2000
Acquired an Embroidery Unit at Coimbatore

09 2001
Acquired the Hakoba Brand.

10 2002
Set up New State of the art Embroidery Manufacturing facility

11 2005
Expanded Embroidery manufacturing capacityat Naroli

12 2006
Started greenfield project of Dope Dyed Yarn (Now SPFY) facility in Kala-amb H.P

13 2007
Dope Dyeing Yarn (Now SPFY) plant of 4,800 MTPA commissioned

14 2008
Set up New State of the Art Braided Lace unit at Silvassa & Coimbatore

15 2009
Expansion of Dope Dyed Yarn (Now SPFY) business to 7,200 MTPA

16 2011
Expansion of Dope Dyed Yarn (Now SPFY) business to 12,000 MTPA. Also embarks on debt resolution with lenders

17 2012
Crossed `2,000 mn turnover for the first time, despite macro headwinds

18 2014
Developed specialized yarn. SPFY turnover on standalone surpasses `2,000 mn

19 2015
Successfully completes resolution of a major part of its outstanding debt

20 2017
SPFY capacity increased to 18,000 MTPA, Company enters DTY segment

21 2018
Company overcomes GST headwinds, weak domestic demand and declining exports, to register operational cash profits

22 2019
Turnaround performance in profitability. Notable growth in exports, turnover, gross and cash profits

23 2020
Maintains profitability in tough business scenario. Succeeds in lowering its overall borrowings by more than `230 mn

24 2021
Recorded highest ever PAT of `197 Mn in FY21. Started fresh capacity expansion of 8,000 MT for SPFY

25 2022
Company sells Coimbatore EL unit. Plans to consolidate and modernise EL Business

26 2023
Initiated the Capex for SPFY & Embroidery Laces Businesses

Unlocking Growth, Enhancing Efficiency Achieving New Heights with Capex Completion

SPFY

Location:	Capacity Addition:	Capex:	Completion:
Kala-Amb, Himachal Pradesh	8,000 MT	₹ 66 Cr	Q3 FY24

Unlocking A Revenue Potential of ₹100 Crore PA



Embroidery & Laces

Location:	Added Operational Capacity:	Capex:	Completion:
Dhule, Maharashtra	800 Mn Stitches	₹ 39 Cr	Q3 FY24

Unlocking A Revenue Potential of ₹50 Crore PA



Manufacturing Units

Kala-Amb, Himachal Pradesh

State of the art plant makes SPFY Latest technology using equipment for value added products

Capacity
26,000 MTPA

Sarigam, Gujarat

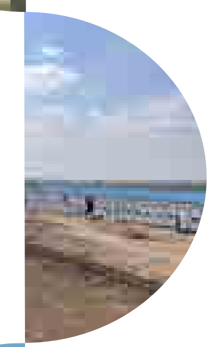
Capacity (Embroidery)
385 mn stitches

Capacity (Lace)
14+ mn metres

Embroidered - Fabric & Guipure, Embroidered material (Schiffli machines) Braided Laces (Bobbin Lace machines)

Degaon, Maharashtra

Modernisation of Embroidery Machine of 30 yds with state-of-the-art green field project at Degaon, Dhule, Maharashtra, commenced commercial production from August 23.



Capacity
800 mn stitches

Naroli, Dadra & Nagar Haveli

Capacity
830 mn stitches

Embroidered fabrics, Allover fabrics and Laces (Schiffli machines)

Assurance Of High Quality & Sustainable Future

Every kilogram of yarn consumes 35 litres of precious water to produce solution-dyed yarns. The Company's SPFY process is totally without water and generates zero effluents, making it a very ECO-FRIENDLY method. So in effect, a saving of 2.8 Million litres of water every day or 6.2 Million barrels per annum is equivalent to almost 390 full-size Olympic swimming pools. The primary focus is on R&D on Inter Fibre replacements, mainly targeting Natural Fibres and replacing Solution Dyed Yarns.

The Company has successfully achieved Global Recycled Standard (GRS) 4.0 label (yarns made from PET bottles to capture sustainability tag) for its entire product range after due inspection and assessment by independent certification agency ONE CERT.

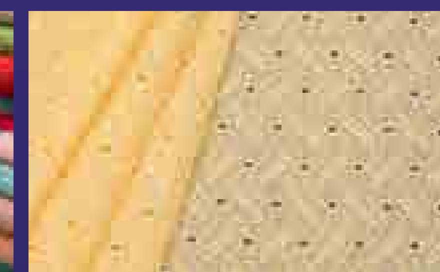
The Company is certified for Oeko Tex standards. The Standard 100 by Oeko-Tex is the product label for textiles tested for harmful substances with the largest prevalence worldwide. This certifies use of safe chemicals/dyes in the entire manufacturing process of making dyed yarns.

ISO 14001 is the international standard that specifies requirements for an effective environmental management system (EMS). PEL's Himanchal Pradesh facility is certified with ISO 14001

ISO 9001 is defined as the international standard that specifies requirements for a quality management system (QMS). This demonstrates the ability of the Company to consistently provide products and services that meet customer and regulatory requirements

Business Verticals

> Crafting Sustainable Business to Create a Future for Our People, Communities and the World.



Specialty Polyester Filament Yarn

SILKOLITE — Scale to Value...

Air Texturised Yarns ······ Carpet Yarns ······ Twisted Yarns ······ Fully Drawn Yarn ······ Draw Textured Yarns ······ Partially Oriented Yarns

Retail

hakoba

Embroidery Fabrics ··········· Salwar Kameez ··········· Salwar Kameez Dupatta (SKDs) ··········· Garments

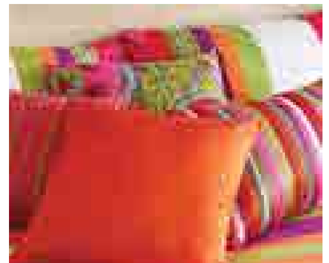
Embroidery & Laces

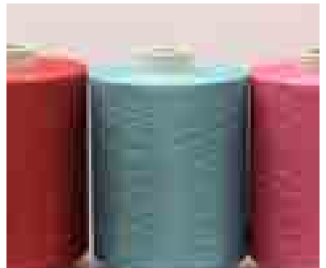
Guipure All Over & Laces ··········· Fabric All Over & Laces ··········· Braided Laces ··········· Fancy Laces


Bio-degradable Yarns


Camouflage Yarns


Carpet Yarns


Fully Drawn Yarn


Partially Oriented Yarns


Twisted Yarns


Fully Drawn yarn


Twisted Yarns

> SILKOLITE: Revolutionizing Sustainable Specialty Polyester Yarn Production

Weaving Sustainability, Innovation, and Versatility

PEL, a pioneer in India, has created the brand "SILKOLITE" for yarn, marking a significant achievement in brand innovation. Their sustainable business model focuses on Specialty Polyester Filament Yarn (SPFY), a profitable and diversified venture.

The yarn is dyed at the polymer stage, mixed with pigment before extrusion, resulting in excellent colour variations and fastness. The eco-friendly production process, known as dope-dyed, uses no water and generates zero effluents, saving approximately 2.8 million liters of water daily. PEL produces various types of SPFY, including air texturized yarns, carpet yarns, twisted yarns, fully drawn yarn, draw textured yarns, and partially oriented yarns.

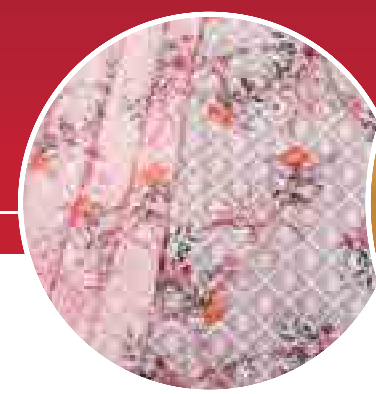
SPFY is used in technical textiles, offering flame retardant, recycled, anti-microbial, UV stabilized, easy dyeable, and other fancy yarns, capable of replacing natural fibers like cotton, viscose, and wool. Among their new products are bio-degradable yarns made from corn fiber, which degrade like natural yarns, camouflage yarns designed for military apparel, and thermal yarns offering heat resistance, ideal for garments intended for cold environments.

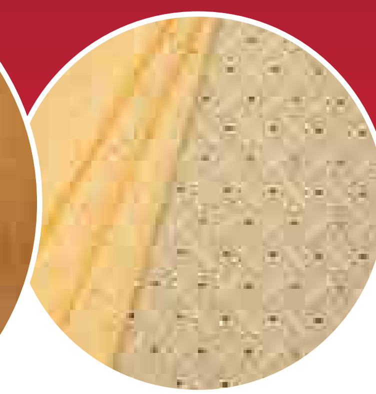
PEL's state-of-the-art manufacturing facility in Kala Amb, Himachal Pradesh, established in 2007, offers end-to-end solutions and is one of the most unique plants in India and South-East Asia. PEL's customer-centric approach is evident in their market presence, with over 1,200 shades available and custom orders starting as low as 500 kilos.

PEL aims to be a global player in polyester specialty yarns, with a particular focus on sustainability, while expanding their product mix and customer base by adding new geographies.

For more information,
visit https://silkolite.in/

> Celebrating Heritage, Embracing the Future





Heritage Brand: "HAKOBA"

Hakoba, a heritage brand since 1961, symbolizes the romantic union of needle and thread through its luxury textile creations. Acquired by Pioneer in 2001, the brand has undergone a complete revamp. Now offering GOTS-certified organic products, Hakoba aligns with sustainability goals.

Its retail outlets feature a diverse range of sarees, salwar kameez dupattas, fashion fabrics, and men's wear like kurta pyjamas, using materials such as cotton, silks, man-made blends, and net fabrics.

Hakoba offers private label fashion and home furnishing products. Excelling in online and offline sales, Hakoba is known for its embroidery and high customer recall. Pioneer is modernizing the brand to appeal to Generation Z, ensuring it remains a preferred choice in the market.

Links to Hakoba's e-commerce pages:

Embroidery & Laces

Revolutionizing Embroidery with Cutting-Edge Technology and Design

PEL is renowned for its premium embroidery products, recognized for quality, innovative designs, and strong production capacity. Our skilled design team continuously innovates to align with evolving fashion trends. PEL's Design Library, featuring over 300,000 embroidery designs, is inspired by Indian culture.

We operate manufacturing facilities in Sarigam (Gujarat), Naroli (Dadra & Nagar Haveli), and a new integrated plant in Degaon, Dhule (Maharashtra), with a strong presence in key markets like Delhi NCR, Tirupur, Chennai, Mumbai, Kolkata, Surat, and Bangalore.

In August 2023, we launched commercial production at our advanced greenfield project in Degaon, Dhule. This facility, equipped with the latest technology, aims to expedite delivery times and offer comprehensive fabric solutions. PEL has centralized operations by replacing 32 machines across multiple locations with 8 state-of-the-art machines, enhancing production capacity, quality, efficiency, and cost-effectiveness.

Our Embroidery and Lace division focuses on unlocking demand for the new capacity, driven by fast fashion trends in the domestic market. PEL remains committed to innovation, quality, and customer satisfaction, ensuring leadership in the embroidery and lace industry.

PIONEER GROUP

Core Team

The right blend of experience and expertise

Mr. Raj Kumar Sekhani
Chairman |Age: 64 Years

A Commerce Graduate from Calcutta University. He is the Promoter-Director and Executive Chairman of the Company. He has been involved in the activities of manufacturing and trading in garment accessories, including embroidery fabrics, laces and knitted fabrics, for more than two decades, much before he promoted the Company. His niche area of expertise and contribution has been formulating the overall Company policies and taking care of the domestic as well as global marketing of the Company's products.

Mr. Harsh Vardhan Bassi
Managing Director |Age: 50 Years

A Graduate in Commerce Stream from Punjab University, and took to business at a very young age. Delving into manufacturing, business development, marketing and other business verticals, he has gained tremendous experience in International marketing of textiles, having successfully interacted with renowned labels worldwide. Mr Bassi has been on board of Pioneer Embroideries Limited since 2003 and elevated as Managing Director in May 2014.

Mr. Saurabh Maheshwari
Executive Director
Age: 46 Years | Experience: 24+Years
Qualification: CA

Mr. Deepak Sipani
CFO
Age: 50 Years | Experience: 25+Years
Qualification: CA

Mr. DNN Rao
CEO SPFY
Age: 59 Years | Experience: 35+Years
Qualification: B.Tech - Textiles

Mr. Sandeep Sharma
President, Head Marketing-EL
Age: 49 Years | Experience: 23+Years
Qualification: B.Com

Mr. Kuntal Kumar Pandit
Sr. VP – Corporate Affairs
Age: 55 Years | Experience: 35+Years
Qualification: Engineer - Elec. & Industrial Elec.

Mr. B S Khulbe
Marketing Head SPFY
Age: 57 Years | Experience: 33+Years
Qualification: MBA - Marketing, B Tech - Textiles

Mr. Manoj Pillay
Sr. VP - International Trade-EL
Age: 51 Years | Experience: 29+Years
Qualification: B.Com

Mr. Aarav Sekhani
VP - Marketing
Age: 39 Years | Experience: 15+Years
Qualification: MBA

Mr. Vishal Sekhani
VP - Finance and Retail
Age: 35 Years | Experience: 11+Years
Qualification: CA

Letter From Chairman

"Innovating for Tomorrow, Consolidating Today" -PEL's Journey of Sustainable Growth and Expansion

Dear Esteemed Shareholders,

In FY24, PEL demonstrated remarkable resilience amidst challenges in the Indian textiles and apparel sector, which is set to grow at a 10% CAGR, aiming for US$ 350 billion by 2030. This sector is vital to India's economy, contributing 2.3% to GDP, 13% to industrial production, and 12% to exports, bolstered by robust cotton production and strong exports totaling US$ 28.72 billion in FY24.

Our manufacturing capacity is strategically utilized to address the demand pattern of various products while working towards maximizing profits. During the year, we produced about 19,783 MTPA of SPFY, more than 15 million meters of braided laces, and about 1,339 million stitches of embroidery. Our enhanced capacities ensure we meet diverse market demands with high-quality SPFY, versatile braided laces, and intricate embroidered fabrics, maintaining precision and excellence across all products.

"Launching biodegradable yarns made from corn fiber, combining durability with eco-friendliness, and introducing advanced camouflage yarns for military apparel, designed for maximum functionality and comfort."

One of our key developments for the year has been the introduction of biodegradable yarns. These polyester yarns, made from corn fiber, offer the durability and versatility of traditional polyester while degrading like natural fibers. This makes them an excellent choice for environmentally conscious consumers and aligns with global sustainability goals.

We have also developed camouflage yarns specifically designed for military apparel. These yarns are engineered to meet the rigorous demands of military specifications, ensuring durability, functionality, and comfort in various environments. Additionally, our thermal yarns represent another significant innovation, designed for heat resistance and body heat retention.

"Our strategic initiatives include expanding into new geographies and markets, enhancing our global footprint, and diversifying revenue streams to capitalize on emerging opportunities in the textile and apparel industry."

Our vision for the Specialized Polyester Filament Yarns segment is to establish Pioneer as a global player with a strong emphasis on sustainability. We aim to expand our product mix and customer base by exploring new geographies and markets. This strategic expansion will not only increase our global footprint but also diversify our revenue streams and mitigate risks associated with specific market fluctuations.

Looking ahead, we are intensifying our focus on value-added segments within SPFY, particularly in floor coverings, through innovative design and material advancements. We are expanding into super specialty segments, including automotive fabrics, outdoor fabrics, and athleisure garments, by developing high-performance materials tailored to industry standards. Our commitment to sustainability is driving us to align with global environmental standards, ensuring our products meet regulatory requirements and consumer preferences.

We remain committed to transparency, sustainability, and excellence in all our endeavors. As we continue on this journey, I look forward to sharing additional milestones and achievements with you. On behalf of the Board of Directors, I express our sincere appreciation for your unwavering trust, confidence, and support.

With Warm Regards
Raj Kumar Sekhani

Letter From Managing Director

Navigating Challenges and Seizing Opportunities Through Strategic Capacity Utilization

Dear Valued Pioneer Family Members,

I am delighted to share our recent achievements and strategic advancements with you. Despite global geopolitical challenges and industry headwinds, our steadfast commitment to excellence has ensured consistent revenue growth.

Innovation and quality remain at the core of our success. We are optimistic about the future and poised to seize emerging opportunities. Our strategic focus, guided by a clear vision and comprehensive planning, enables us to expand our capacities and strengthen our market presence, ensuring sustainable growth.

In FY24, we achieved an operating revenue of ₹ 33,619 lakhs, reflecting a YoY growth of 13.3%. Our EBITDA reached ₹ 2,639 lakhs, showing a YoY growth of 72.3% and an improvement in EBITDA margins by 260 BPS to 7.8%. While capacity expansions led to increased interest costs and depreciation, our Profit Before Tax and Exceptional Items grew from ₹ 321 lakhs to ₹ 458 lakhs.

For FY24, the SPFY business contributed 84% to our revenues, while the EL business contributed 16%. Exports, however, remained constrained for both SPFY and EL, due to higher logistics costs related to the Red Sea conflict and overall inflationary trends in Europe and the US, affecting both demand and retail inventory levels for textiles. Despite these challenges, PEL performed well in the domestic market and non-traditional export geographies. Domestic sales for EL grew by 39% to ₹ 5,065 lakhs, and SPFY grew by 15% to ₹ 23,894 lakhs. Exports for EL were down 70% to ₹ 340 lakhs, while SPFY exports grew by a mere 7% to ₹ 4,320 lakhs.

"Domestic sales for EL grew by 39% to ₹5,065 lakhs, and SPFY grew by 15% to ₹23,894 lakhs."

For the EL division, our strategy focuses on unlocking the full potential of our newly-added capacities. We are optimistic about the domestic market, observing a positive buying trend driven by the fast-changing fashion industry. Our ultra-modern plant, equipped with the latest machinery and technology, positions us well to cater to both domestic and international markets. With centralized manufacturing facilities, we can pursue further need-based expansion, value-addition in products, and expansion of design options without unnecessary overheads. We aim to shorten delivery times and provide our customers with a comprehensive solution for all their fabric needs.

"We aim to lead in high-end fabrics through innovation, designer collaborations, and eco-friendly practices."

In the EL division, we aim to consolidate our leadership in high-end garment fabrics through advanced production techniques and collaborations with fashion designers and brands. Our focus on eco-friendly options highlights our commitment to responsible manufacturing practices and market trend anticipation.

I extend my heartfelt gratitude to our shareholders for their unwavering support. Your trust in our vision is instrumental as we navigate the future together, committed to delivering sustained value.

Sincerely,
Harsh Vardhan Bassi

Financial Summary

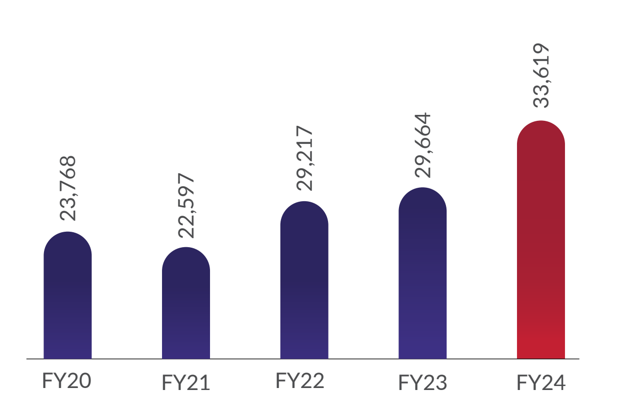
(₹ In lakhs)

Particulars	FY20	FY21	FY22	FY23	FY24
Profit and Loss Statement					
Revenues	23,768	22,597	29,217	29,664	33,619
Other Income	183	187	173	312	398
Expenditure	21,858	19,840	26,737	28,445	31,377
EBITDA	2,094	2,944	2,653	1,531	2,639
EBITDA Margin(%)	8.7%	12.9%	9.0%	5.1%	7.8%
Interest	614	447	320	364	926
Depreciation	871	816	808	846	1,254
PBT	828	1,681	1,525	321	458
PBT Margin (%)	3.5%	7.4%	5.2%	4.2%	1.4%
Tax	0	-286	420	363	70
PAT	828	1,967	1,105	871	388
PAT Margin(%)	3.5%	8.6%	3.8%	2.9%	1.2%
Balance Sheet					
Fixed Assets	8,538	8,003	8,608	14,674	18,573
Investments	930	930	930	1,986	1,986
Non Current Assets	351	1,189	689	1,661	309
Current Assets	6,355	7,799	8,769	10,165	11,534
Total Assets	16,174	17,921	18,995	28,486	32,402
Equity	2,495	2,659	2,659	2,659	2,948
Reserve & Surplus	6,543	8,778	9,912	10,717	12,122
Net Worth	9,038	11,437	12,571	13,376	15,070
Long Term Borrowings	1,083	970	519	5,707	5,346
Other Non current Liabilities	529	502	968	2,385	2,779
Short Term Borrowings	1,579	2,006	2,104	3,430	5,114
Other Current Liabilities	3,945	3,005	2,833	3,588	4,092
Total Liabilities	16,174	17,921	18,995	28,486	32,402
Cash Flow statement					
Cash from Operations (After working capital changes)	2,563	1,813	1,339	1,028	1,155
Cash from Investments	314	-820	-1,027	-6,504	-3,373
Cash from financial Activities	-2,790	-517	-798	6,021	1,602
Ratios					
Debt to Equity	0.38	0.27	0.24	0.71	0.72
Current Ratio	1.15	1.56	1.78	1.45	1.25
EPS (Rs) Basic	3.32	7.76	4.16	3.27	1.43
EPS (Rs) Diluted	3.32	7.40	4.11	3.27	1.39
BV (Rs)	36.23	43.01	47.28	50.30	50.64

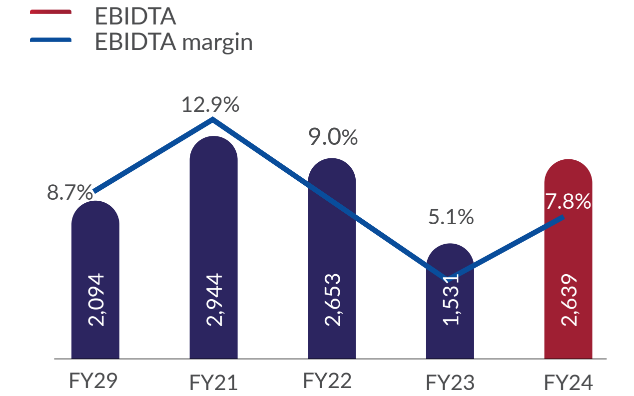
Key Performance Indicators

(₹ In lakhs)

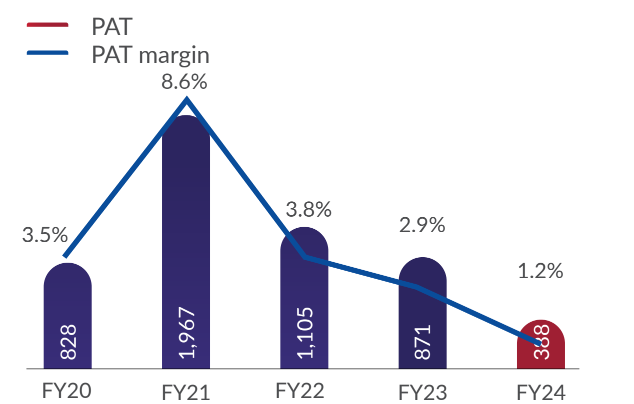
REVENUE



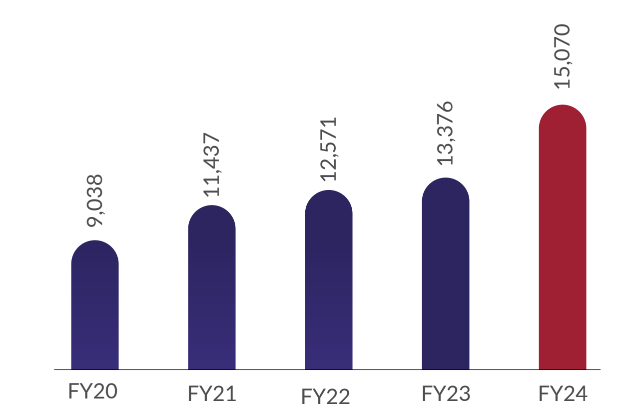
EBIDTA & EBITDA MARGIN(%)



PAT & PAT MARGIN(%)

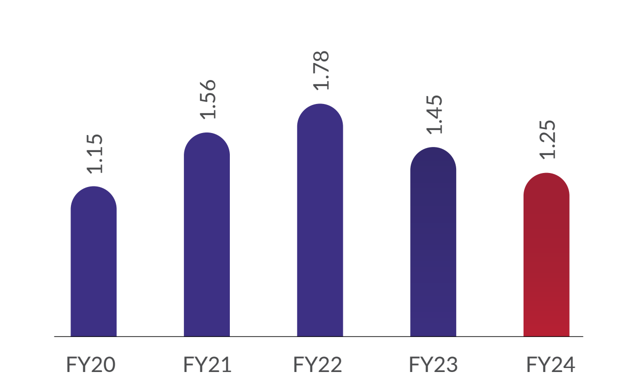


NET WORTH



DEBT TO EQUITY(X)

CURRENT RATIO



Corporate Information

BOARD OF DIRECTORS

MR. RAJ KUMAR SEKHANI
Chairman
(DIN:00102843)

MR. HARSH VARDHAN BASSI
Managing Director
(DIN:00102941)

MR. SAURABH MAHESWARI
Executive Director
(DIN:00283903)

MS. SUSHAMA BHATT
Independent Director
(DIN:09168896)

MR. MAHESH KUMAR GUPTA
Independent Director
(DIN: 01821446)

MR VARUN KATHURIA
Independent Director
(DIN: 00027987)

BANKERS

UNION BANK OF INDIA
KOTAK MAHINDRA BANK LTD

CFO

MR. DEEPAK SIPANI

COMPANY SECRETARY & COMPLIANCE OFFICER

MS. AMI THAKKAR

STATUTORY AUDITORS

M B A H & CO.
Chartered Accountants

MANUFACTURING UNITS

1. 1637-1639, G.I.D.C. Sarigam, Dist. Valsad, Gujarat – 396 155
2. Primer Industrial Estate, Survey No.678/1/2, Village Naroli, Silvassa, (U.T.) – 396 203
3. Gut No 35/3, at Shree, Ganesh Integrated Textile Park, Taluka, Degaon, Sindkheda, Maharashtra – 425 407
4. Village-Kheri, Trilokpur Road, Kala-Amb, Dist-Sirmour, Himachal Pradesh – 173 030

OFFICES

Registered Office:
Unit No, 101B, 1st Floor, Abhishek Premises, Plot No. C5-6, Dalia Industrial Estate, Off. New Link Road, Andheri (West), Mumbai - 400 058

Corporate Office:
Unit No.21 to 25, 2nd Floor, Orient House, 3-A Udyog Nagar, Off S. V. Road, Goregaon (West), Mumbai – 400 062

Chennai Office:
29 & 30, 3RD Floor, Kumbhat Complex, Rattan Bazar, Chennai – 600 003

Delhi Office:
4986, 1st & 2nd Floor, Baratooti Chowk, Sadar Bazar, Delhi – 110 006

Delhi Yarn Office (SPFY):
1007, D-Mall, Netaji Subash Place, Pitampura, New Delhi – 110 034

Mumbai Marketing Office:
Navyug House Building, Room #18, 1'st Floor, Old Hanuman Lane, Kalbadevi, Mumbai-400 002

NCR Office:
Plot No – 828, Udyog Vihar, Phase -5 , Gurgaon, Haryana, Pin- 122016 | Tel - 0124 - 4365400,03

Surat Office:
Kiran Compound, Near A P Market, Udhna,Surat – 394 210

Tirupur Office:
Door No. 16A, SF No 255/3, Mahalakshmi Nagar, 15-Velampalayam, Tirupur-641 652.

Telephone No. : 91-22- 4223 2323
Fax No. : 91-22- 4223 2313
Website : www.pelhakoba.com; www.silkolite.com
E-mail Address : mumbai@pelhakoba.com

CIN : L17291MH1991PLC063752
Listing : BSE Limited and National Stock Exchange of India Limited
ISIN for Demat : INE156C01018

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd., C101, 247 Park, L.B. S. Marg, Vikhroli (West), Mumbai- 400083
Telephone No. : 91-22- 4918 6000 / 4918 6270
Fax No. : 91-22- 4918 6060

Management Discussion and Analysis

Global Economic Overview

In CY23, the global economy has shown resilience amid challenges like supply chain disruptions from geopolitical conflicts and the lingering effects of the pandemic. Headline inflation, which peaked in CY22, gradually receded due to supply-side improvements and proactive Central Bank measures. Technological advancements are expected to enhance labor productivity and drive global growth, while structural reforms and improved talent allocation in Emerging Markets are expected to offer significant opportunities. Economic growth projections remain stable at around 3.2% for CY24 and CY25, supported by strong performances in the United States and major Emerging Markets, despite subdued demand in Europe and China. However, growth is still below the historical average, due to elevated Central Bank rates, sluggish productivity growth, and supply-demand imbalances. The integration and growth of G20 Emerging Markets, such as China, India, and Russia, are crucial for supporting global trade and investment, thereby fostering economic stability.

Global Economic Growth: Actual and Projections (%)

Particulars	2022	2023	2024	2025
Global Economy	3.4	2.8	3.2	3.2
Advanced Economies	2.7	1.6	1.7	1.8
Emerging Markets and Developing Economies	4	4.3	4.2	4.2

Source:https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024

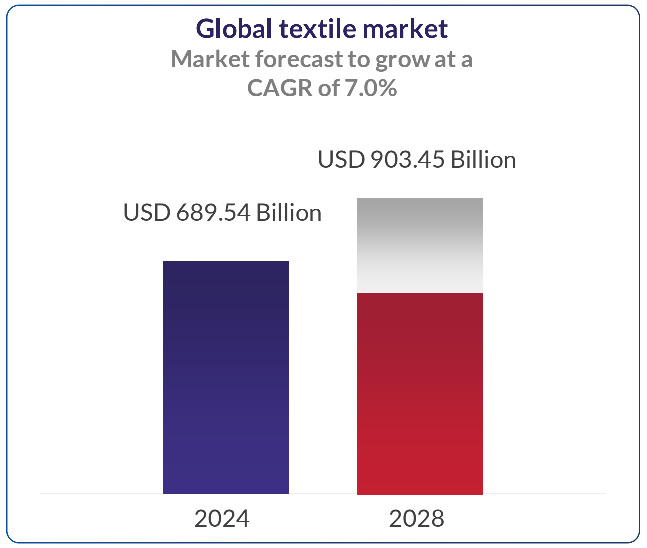
India Economic Outlook

India's GDP growth rate surged to an impressive 8.4% in the third quarter of fiscal 2024, driven by strong private investments and a revival in private consumption. This exceeded market analysts' expectations and projected growth estimates. Revised data from the first three quarters indicated an 8.2% YoY growth, prompting a revision in growth predictions for the full year to a range of 7.6% to 7.8%. While growth in the fourth quarter was expected to be modest due to uncertainties from the general elections and modest consumption growth, future growth predictions remain stable at around 6.6% for fiscal 2025 and 6.75% for fiscal 2026, despite geopolitical uncertainties.

The remarkable growth has highlighted shifts in consumer spending patterns, with rising demand for luxury and high-end products driven by the expanding middle-income class. This trend is expected to continue as disposable incomes increase, although challenges such as rising household debt and falling savings could impact long-term growth sustainability. Controlling household debt will be essential to maintain economic stability and protect households from financial vulnerability. As private investments gain momentum and global conditions improve, India's economic outlook remains optimistic despite inflation concerns and supply-side constraints.

Source:https://www2.deloitte.com/us/en/insights/economy/asia-pacific/india-economic-outlook.html

Global Textile & Apparel Industry



The textile market has experienced robust growth in recent years, expanding from $638.03 billion in 2023 to $689.54 billion in 2024 at a compound annual growth rate (CAGR) of 8.1%. This growth can be attributed to various factors, including the expansion of the global population, increased demand for man-made fibers, supportive government initiatives, strong economic growth in emerging markets, and restrictions on plastic usage. Looking ahead, the market is expected to grow to $903.45 billion by 2028 at a CAGR of 7.0%. The continued increase in global population and urbanization, the rapid expansion of e-commerce, higher expenditure on leisure activities, growing retail penetration, increased internet accessibility, and a rising preference for contactless delivery solutions are expected to drive this growth. Notable trends include the adoption of digital textile printing inks, the use of non-woven and organic fibers, a focus on sustainable materials, the integration of blockchain technology, the adoption of digital platforms for supply chain management, collaboration with tech companies to develop smart fabrics, investments in robotics and automation, and the incorporation of artificial intelligence.

The growth of the textile manufacturing market is further bolstered by the rising demand for online shopping, allowing manufacturers to reach a broader audience and diversify their customer base geographically. In countries like India, e-commerce portals have significantly boosted the sales of traditional garments, offering greater exposure to producers previously limited to specific regions. Increasing internet penetration and smartphone usage also play a crucial role in driving market dynamics. The surge in smartphone users, along with expanding internet access, is expected to facilitate increased online shopping for apparel and other products, further driving market growth in the forecast period. Social media channels also enable the textile sector to connect influencers and fashion icons with audiences, disseminating the latest trends and fashion insights.

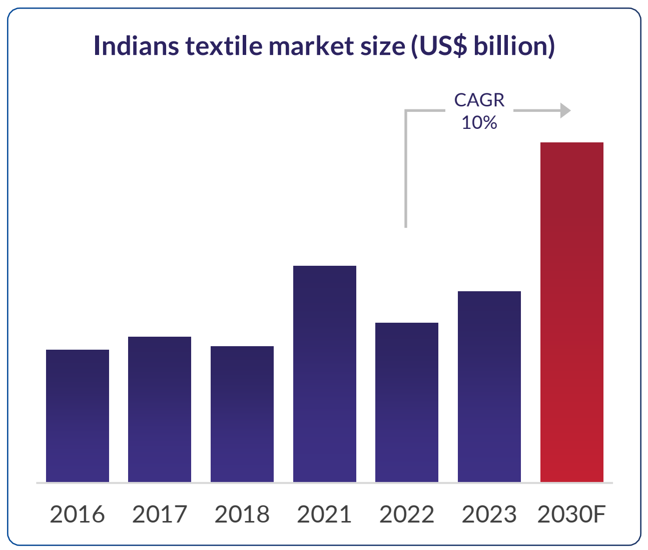
"The textile market is projected to reach $903.45 billion by 2028, fuelled by e-commerce expansion, increased internet use, and innovative fabric technologies."

Source:https://www.researchandmarkets.com/reports/5939119/textile-global-market-report
https://www.ibef.org/industry/textiles

Indian Textile & Apparel Industry

Market Overview

The Indian Textiles and Apparel market is projected to grow at a 10% CAGR, reaching US$ 350 billion by 2030. India is the world's third-largest exporter of textiles and apparel and ranks among the top five global exporters in several textile categories. Exports are expected to reach US$ 100 billion by 2030. The Textiles and Apparel Industry contributes 2.3% to India's GDP, 13% to industrial production, and 12% to exports. The industry's GDP contribution is predicted to double from 2.3% to approximately 5% by the end of this decade. The Manufacturing of Textiles Index for December 2023 stood at 112.4.



Cotton Production

India is the world's largest producer of cotton. The agriculture ministry projected cotton output for 2023-24 at 31.6 million bales. According to the Cotton Association of India (CAI), the total availability of cotton in the 2023-24 season is pegged at 34.6 million bales, against a domestic demand of 31.1 million bales, including 28 million bales for mills, 1.5 million for small-scale industries, and 1.6 million bales for non-mills. Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing consumer demand. The cotton market is expected to surpass US$ 30 billion by 2027, with an estimated 4.6-4.9% share globally.

Fiber and Yarn Production

In 2022-23, fiber production in India stood at 2.15 million tonnes, while yarn production was 5,185 million kgs. Natural fibers are regarded as the backbone of the Indian Textile Industry, which is expected to grow from US$ 138 billion to US$ 195 billion by 2025.

Exports and Employment

India's Textile and Apparel exports stood at US$ 28.72 billion in FY24 (April-January). Exports of textiles (RMG of all textiles, cotton yarns/fabs/made-ups/handloom products, man-made yarns/fabs/made-ups, handicrafts excl. handmade carpets, carpets, and jute mfg. including floor coverings) stood at US$ 23.79 billion in FY24 (April-December).

Exports for 247 technical textile items amounted to ₹5,946 crore (US$ 715.48 million) between April-June 2023-24.

India's textiles industry employs around 45 million workers, including 3.5 million handloom workers across the country.

"The Indian textiles and apparel market is projected to grow at a 10% CAGR, reaching US$ 350 billion by 2030, with exports expected to hit US$ 100 billion. "

"This industry significantly contributes to India's economy, accounting for 2.3% of GDP, 13% of industrial production, and 12% of exports, and is expected to see its GDP contribution more than double by the end of the decade."

Government Initiatives

- **FDI and Export Promotion:** The Indian Government allows 100% FDI in the textile sector under the automatic route and has introduced various export promotion policies.
- **Production and Export Targets:** Government outlined a roadmap to achieve US$ 250 billion in textile production and US$ 100 billion in exports by 2030.
- **SAMARTH Scheme:** In July 2023, 43 new implementing partners were added to the SAMARTH scheme, targeting the training of 75,000 beneficiaries. As of now, 1,83,844 beneficiaries have been trained.
- **R&D and Technology Upgradation:** In June 2023, the government approved R&D projects worth US$ 7.4 million. Additionally, ₹ 900 crore and ₹450 crore have been allocated to the Amended Technology Upgradation Fund Scheme and the National Technical Textiles Mission, respectively.
- **Foreign Trade Agreements:** New trade agreements with Australia and the UAE are expected to boost textile exports with zero duties, and similar agreements are being pursued with Europe, Canada, the UK, and GCC countries.
- **Sustainability and Innovation:** The Sustainable Textiles for Sustainable Development (SusTex) project promotes sustainable production and employment in the textile sector. The government has also set up the Center of Excellence for Khadi and is working on enhancing the yield of organic cotton

Opportunities and Threats

Opportunities

- The Indian textile industry is expected to reach US$ 190 billion by FY26, driven by strong domestic and export demand.
- Collaborative projects like the Indo-German Technical Cooperation focus on value addition in sustainable cotton production.
- The government allocated Rs. 900 crore for the Amended Technology Upgradation Fund Scheme and Rs. 450 crore for the National Technical Textiles Mission to boost innovation.
- Increasing the FDI limit in multi-brand retail is expected to enhance consumer options and investment in the textile value chain.
- The technical textiles market for automotive textiles is set to grow from $2.4 billion in 2020 to $3.7 billion by 2027. The industrial textiles market is expected to increase from $2 billion in 2020 to $3.3 billion by 2027, with an 8% CAGR. The overall Indian textiles market is projected to surpass $209 billion by 2029.
- Upgraded CoEs like BTRA for Geotech and SITRA for Meditech are developing incubation centers and testing facilities.
- The National Textile Policy draft aims to attract foreign investment and create 35 million jobs through government promotion efforts abroad.

Threats

- The Indian textile industry faces stiff competition from countries like China, Bangladesh, and Vietnam, which have more advanced manufacturing capabilities and lower production costs.
- Fluctuations in the prices of key raw materials, such as cotton and synthetic fibers, can impact the profitability and sustainability of textile companies.
- Stringent environmental regulations and compliance requirements can pose challenges for the industry, particularly for small and medium enterprises (SMEs) that may lack the resources to adapt.
- While there are significant investments in technology upgradation, the industry still faces challenges in

adopting the latest technologies and innovations at a pace comparable to global competitors.

- The industry is labor-intensive and often faces issues related to labor availability, wage inflation, and labour rights, which can affect production efficiency and cost structures.

Source:https://www.ibef.org/industry/textiles

Company & Business Overview

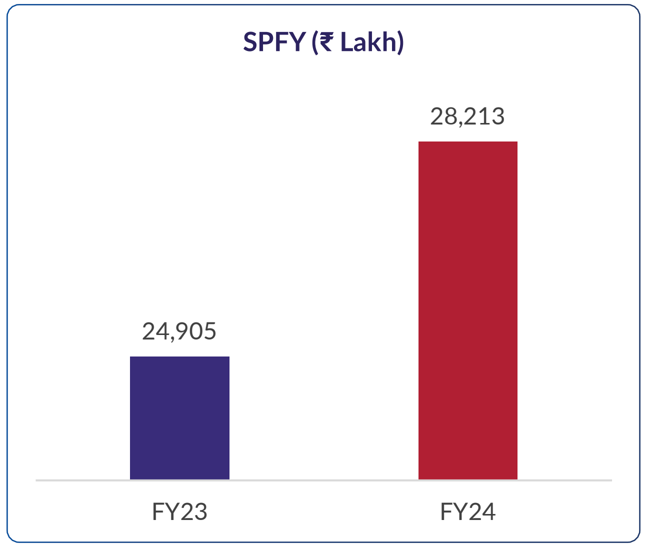
The Company's product portfolio consists of SPFY, Embroidered Laces and Fabrics, Braided Laces, etc. The products of the Company and their manufacturing locations are as follows:

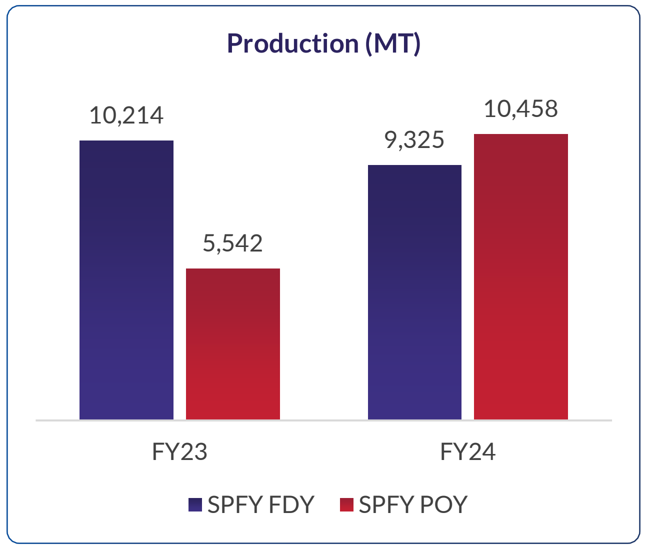
Product	Location
Specialized Polyester Filament Yarn	Kala-amb (Himachal Pradesh)
Embroidered Laces- Fabric & Guipure, Embroidered dress material (made on Schiffli machines)	Sarigam(Gujarat), Degaon (Maharashtra)
Embroidered Fabrics Allover Fabrics & Laces (made on Schiffli machines)	Naroli (Dadra & Nagar Haveli)
Braided Laces (made on Bobbin Lace Machines)	Sarigam (Gujarat)

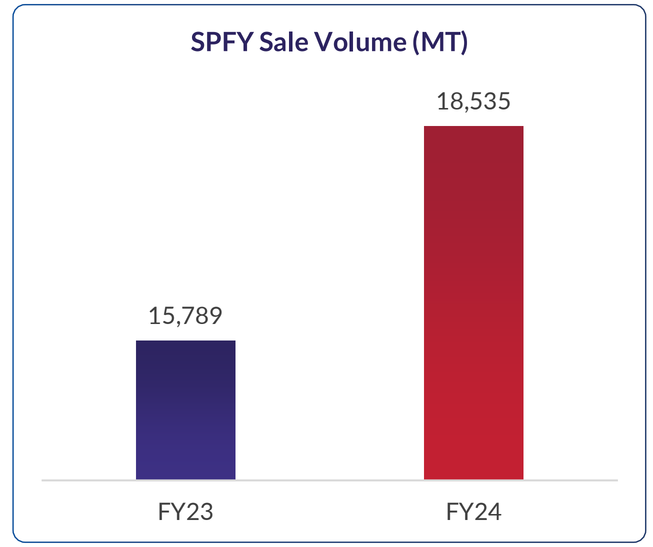
Performance Review

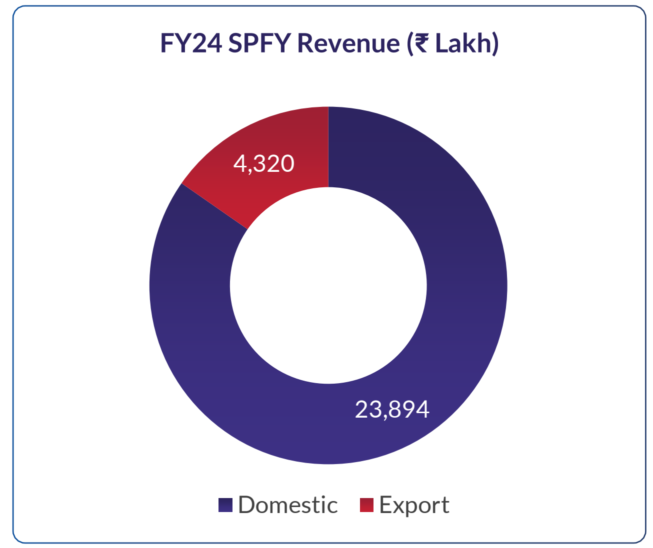
Specialized Polyester Filament Yarn (SPFY) Business

The Company's SPFY business remains the cornerstone of PEL's business, contributing 83.9% to the overall turnover and accounting for the bulk of operating profits. The SPFY segment reported a full-year income of ₹28,213 lakhs, up from ₹24,905 lakhs in the previous year. Sales volumes increased by about 17% to 18,535 MT from 15,789 MT, with an average realization of ₹152 per kg. Value-added products comprised approximately 66% of the volume and 73% of the value, with turnover from these products rising by about 28% to ₹20,611 lakhs.

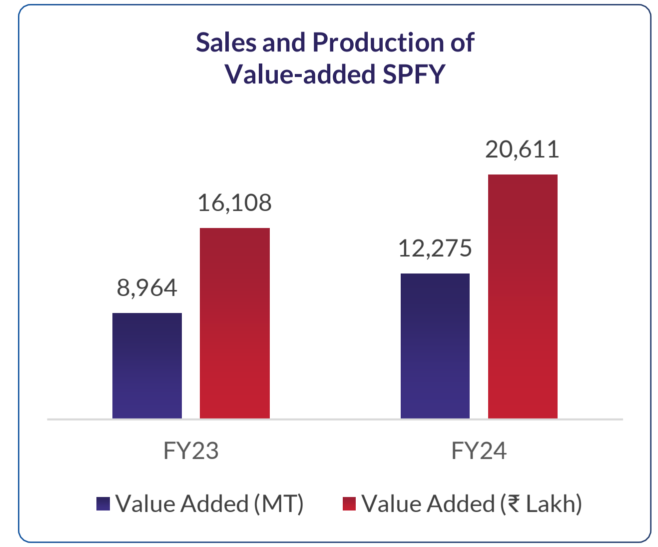








The share of value-added items in volume was approximately 66% and in value was 73%. Turnover from value-added products increased by 28% to ₹20,611 lakhs over FY23.



Domestic sales of SPFY saw a significant growth of 14.6%, reaching ₹23,894 lakhs in the current year, up from ₹20,856 lakhs the previous year. Export revenues also experienced a modest increase of 6.7%, rising to ₹4,320 lakhs from ₹4,049 lakhs. The increase in turnover was on account of enhanced capacities.

To solidify its market position, the company undertook a capacity expansion project to increase annual production capacity from 18,000 MT to 26,000 MT. Production from this expansion is commenced from Q2 of FY24, and value-added product manufacturing started from Q3 of FY24.

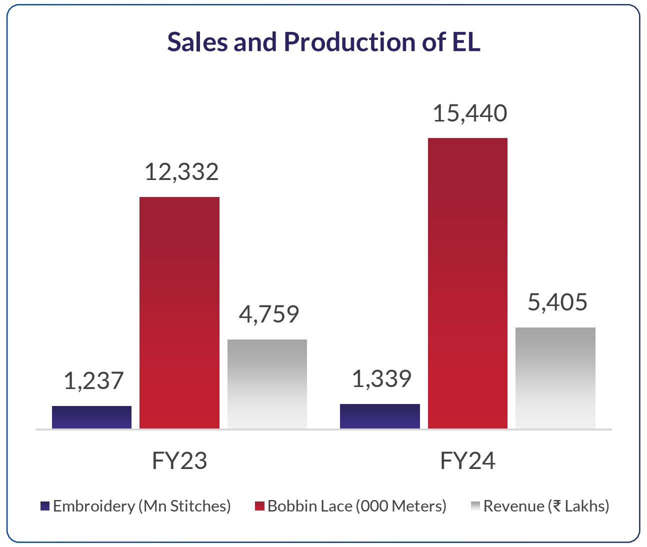
The SPFY business has demonstrated resilience and adaptability despite facing various challenges, such as fluctuating input costs, changing export prospects, varying local demand levels, and pricing pressures. This success is attributed to continuous investments in capacity expansion, development under the Silkolite brand, an expanded product range, value-added processes, improved efficiencies, process automation, product development, and a robust marketing network.

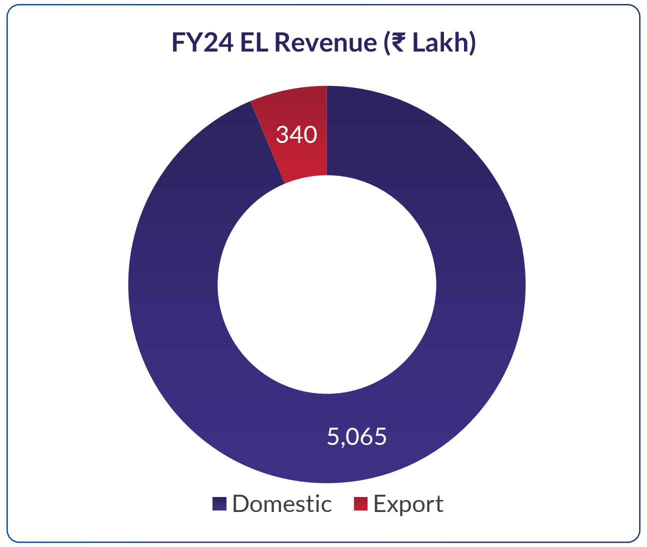
The SPFY segment introduced several innovative products. One of the standout offerings includes biodegradable yarns crafted from corn fiber, designed to naturally degrade over time. Additionally, the Company has developed camouflage yarns specifically tailored for military apparel, enhancing both functionality and durability. Another noteworthy innovation for Pioneer is thermal yarns, engineered to offer heat resistance and retain body warmth, making them perfect for cold environment garments. These advancements underscore our commitment to pushing the boundaries of textile innovation.

“Domestic sales of SPFY grew by 14.6%, reaching ₹23,894 lakhs, while export revenues increased by 6.7% to ₹4,320 lakhs. Continuous investments and strategic capacity expansion have enabled the SPFY business to remain resilient and adaptable amidst market challenges.”

Embroidery and Laces Business

The Embroidery and Laces (EL) business witnessed a decent recovery in demand across both domestic and international markets. This led to a turnover of ₹5,405 lakhs, marking a 13.6% increase from the previous year's ₹4,759 lakhs. The Company consolidated and enhanced its production capacities in EL business at its new manufacturing unit at Degaon, Maharashtra.





EL segment reported a 39% increase in domestic revenues, amounting to ₹5,065 lakhs up from ₹3,641 lakhs in the previous year. To further enhance and sustain the growth of the Embroidery and Laces (EL) segment, PEL plans to implement several strategic initiatives. These include investing in new equipment, optimizing operations, reducing overhead costs, improving outsourcing practices, exploring new sales channels, and enhancing overall business efficiency. These measures are anticipated to drive increased profitability in the coming quarters

“The Embroidery and Laces (EL) business saw a 13.6% increase in turnover, reaching ₹5,405 lakhs. Strategic initiatives in equipment investment, operational optimization, and cost reduction are expected to drive further profitability.”

FINANCIAL OVERVIEW

In the fiscal year reviewed, Pioneer Embroideries Ltd. demonstrated robust financial performance across key metrics. Total income from operations saw a notable increase of 13.3% YoY, reaching ₹33,619 lakh.

During the year, EBIDTA surged by 72.3% to ₹2,639 lakh, with an EBIDTA margin improvement from 5.2% to 7.8%. Operational cash profit stood at ₹1,712 lakhs, compared to ₹1,167 lakhs previously.

Profit Before Exceptional Items and Tax rose by 43% to ₹458 lakhs The Net Profit for the year stood at ₹388 lakhs (previous year ₹871 lakhs), a decline of about 55%, mainly on account of exceptional income generated in previous year.

Overall, PEL's FY24 financial results indicate strong operational performance and strategic gains, albeit with lesser net profitability and demand challenges. The financial performance broadly indicates top-line growth driven by the SPFY segment but highlights challenges in enhancing profitability amidst evolving market dynamics. The demand scenario in export and domestic markets has resulted in lesser margins and profitability than was expected. Hence, the benefits of expansion in both the businesses is yet to play out fully for the Company. Pioneer is well-equipped to gain from the upturn in both SPFY and EL businesses, as and when it happens.

The company's focus on innovation and operational efficiencies will also be crucial in navigating future financial performance.

“The company's turnover for the year rose to ₹33,619 lakhs, marking a 13.3% increase. Meanwhile, operational profits surged by 72.3%, underscoring significant financial gains amidst operational efficiencies.”

Risks and Concerns

The company has a strong Enterprise Risk Management framework in place to identify, assess, and mitigate significant business and operational risks in a timely and effective manner. The following are the primary risks and their accompanying mitigation measures:

- **Raw material risk and Mitigation:**

  The volatility of raw material prices, such as cotton, specialised fibres and yarns, glass roving, specialty chemicals, and a range of resins, raises input costs, reducing the Company's profitability.

  To ensure timely acquisition of raw materials at competitive prices, the Company analyses price variations and adopts inventory management and responsive procurement policies. It also enters into contracts with clients and attempts to pass on changes in raw material pricing to them in order to safeguard margins.

- **Economic risk and Mitigation:**

  The geopolitical upheaval, global economic slowdown, high inflation, and the danger of a future recession in important markets such as the United States and Europe have slowed the export market. Demand contraction would have a negative impact on the Company's export business.

  The macro climate in the US/EU markets has begun to improve in the outlook, however export demand remains uncertain. The domestic market, on the other hand, will continue to generate significant business prospects for the Company.

- **Logistics risk and Mitigation:**

  The ongoing Russia-Ukraine conflict and the Red Sea situation has had a negative influence on the global supply chain network. Any disruptions in the supply chain, increased container shipping costs, availability, and delays pose significant problems to the business. Furthermore, insufficient and inefficient logistics in India cause delays and excessive logistical expenses.

  For smooth operations, the company has enhanced its supply chain network and created strong partnerships with suppliers and vendors.

- **Technology Risk and Mitigation:**

  To improve efficiency and production, there is a continuing need for technological advancement and ongoing R&D. Failure to deploy cutting-edge, long-lasting technologies to meet the changing needs of the global market may result in business failure.

  The Company prioritises technology and invests aggressively in R&D, contemporary and sustainable technologies, machinery and equipment for enhancing manufacturing processes and quality, as well as strengthening its product line to meet evolving market trends.

Human Resources / Industrial Relations

The Company regards its people as its most valuable asset and an essential component of its competitive position. It has a well-designed human resources policy that fosters a positive work environment, inclusive growth, equitable opportunities, and competitiveness, as well as aligning employees' goals with the organization's growth vision. Its human resources division is critical in developing a robust and competent team. It offers possibilities for professional and personal growth and conducts comprehensive employee engagement and development programmes to boost staff productivity and capabilities. As of March 31, 2024, the Company employed 1,088 people. Furthermore, during the year, industrial relations remained tranquil and cooperative.

Internal Control Systems and their Adequacy

The Company maintains an effective internal control system that is proportionate to the size, nature, and complexity of its operations. The internal control system is in charge of taking care of growing risks in the organisation, ensuring the dependability of financial information, timely reporting of operational and financial activities, asset safeguarding, and strict adherence to applicable laws and regulations. The Company's internal auditors are in charge of regular monitoring and examination of these controls. The Audit Committee evaluates the audit reports on a regular basis and ensures that any deviations are corrected as needed. Key observations are relayed to management, who takes immediate corrective action.

Disclaimer

The Company's objectives, projections, outlook, expectations, estimates, and other information expressed in the Management Discussion and Analysis may be considered forward-looking statements under applicable securities laws and regulations. These statements are based on certain assumptions that the Company cannot guarantee.

Several circumstances, some of which the Company may not have direct control over, could have a substantial impact on the Company's operations. As a result, actual results may differ materially from such projections, whether expressed or implied, because it would be beyond the Company's ability to successfully implement its growth strategy. The Company assumes no obligation or responsibility to update forward-looking statements or to publicly amend, modify, or revise them to reflect events or circumstances that occur after the date of the statement on the basis of subsequent development, information, or events.

The Management of Pioneer Embroideries Ltd. (Pioneer, or the Company) presents below an analysis of its performance during the year under review, i.e., accounting year ended 31st March, 2024 (for the period April 1, 2023 up to March 31, 2024).

NOTICE

Notice is hereby given that the Thirty Second Annual General Meeting of the Shareholders of PIONEER EMBROIDERIES LIMITED will be held on Tuesday, 6th August, 2024 at 10.30 a.m. through Video conferencing(VC) or Other Audio Video Mode(OAVM) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (including the Consolidated Financial Statements) of the Company for the year ended 31st March, 2024 and the Report of the Directors and the Auditors thereon.

2. To appoint a Director in place of Mr. Saurabh Maheshwari (DIN:00283903) who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS

3. To approve payment of remuneration to Mr. Harsh Vardhan Bassi (DIN:00102941), as a Managing Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as 'the Act') consent of the members be and is hereby accorded for payment of remuneration to Mr. Harsh Vardhan Bassi (DIN:00102941), Managing Director of the Company with effect from 28th October, 2024 till balance period i.e. 28th October, 2026 at remuneration including perquisites not exceeding ₹5,00,000/- (Rupees Five Lacs only) per month on such terms and conditions set out in Letter of appointment."

   "**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration to the extent the Board of Directors may consider appropriate and as may be permitted or authorised in accordance with any provision under the Act for the time being in force provided, however, that the remuneration payable to Mr. Harsh Vardhan Bassi (DIN:00102941) shall be within the limits set out in the said Act including the said Schedule V to the Act or any amendments thereto or any modification(s) or statutory re-enactment(s) thereof and / or any rules or regulations framed there under and the terms between the Company and Mr. Harsh Vardhan Bassi shall be suitably modified to give effect to such variation or increase as the case may be."

   "RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the term of Mr. Harsh Vardhan Bassi's office as a Managing Director, the remuneration set out in the Letter of appointment be paid or granted to Mr. Harsh Vardhan Bassi as minimum remuneration provided that the total remuneration by way of salary and other allowances shall not exceed the ceiling provided in Schedule V to the said Act or such other amount as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof."

   "**RESOLVED FURTHER THAT** that the Board of Directors be and is hereby authorised to take such steps as may be necessary, proper or expedient to give effect to such resolution."

4. To approve payment of remuneration to Mr. Saurabh Maheshwari (DIN:00283903), as a Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as 'the Act') consent of the members be and is hereby accorded for payment of remuneration to Mr. Saurabh Maheshwari (DIN:00283903), Director of the Company with effect from 17th May, 2024 till balance period i.e. 17th May, 2026 at remuneration including perquisites not exceeding ₹4,02,000/- (Rupees Four Lacs and Two Thousand only) per month on such terms and conditions set out in Letter of appointment."

   "RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration to the extent the Board of Directors may consider appropriate and as may be permitted or authorised in accordance with any provision under the Act for the time being in force provided, however, that the remuneration payable to Mr. Saurabh Maheshwari (DIN:00283903) shall be within the limits set out in the said Act including the said Schedule V to the Act or any amendments thereto or any modification(s) or statutory re-enactment(s) thereof and / or any rules or regulations framed there under and the terms between the Company and Mr. Saurabh Maheshwari shall be suitably modified to give effect to such variation or increase as the case may be."

   "RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the term of Mr. Saurabh Maheshwari's office as a Director, the remuneration set out in the Letter of appointment be paid or granted to Mr. Saurabh Maheshwari as minimum remuneration provided that the total remuneration by way of salary and other allowances shall not exceed the ceiling provided in Schedule V to the said Act or such other amount as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof."

5. To approve the re-appointment and payment of remuneration of the Cost Auditor for the financial year ending 31st March, 2025 and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the members be and is hereby accorded for re-appointment of M/s. Vipul Bhardwaj & Co., Cost Accountants, to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2025 at a remuneration, amounting to ₹1,40,000 plus GST as applicable and re-imbursement of out of pocket expenses incurred by them, in connection with the aforesaid audit."

By order of the Board of Directors
For **PIONEER EMBROIDERIES LIMITED**

Harsh Vardhan Bassi
Managing Director
DIN:00102941

Place: Mumbai
Date : 27th May, 2024

NOTES:

1. Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act"), in respect of the Special Business to be transacted at the Annual General Meeting ("AGM") is annexed hereto.

2. The Ministry of Corporate Affairs ("MCA") has vide its circular dated 5th May, 2020 read with circulars dated 8th April, 2020, 13th April, 2020, 13th January, 2021, 14th December, 2021, 5th May, 2022, 28th December, 2022 and 25th September, 2023 (collectively referred to as "MCA Circulars") permitted the holding of the "AGM" through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

3. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence, the Proxy Form and Attendance Slip are not annexed to the Notice.

4. Mr. Saurabh Maheshwari (DIN:00283903) Director retires by rotation at the Annual General Meeting and being eligible, offers himself for re-appointment. As required under the Secretarial Standard - 2 and Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations'], the details of the Directors seeking re-appointment inter alia, age, experience, relationship with other directors of the Company, and other directorships, membership/chairmanship of the committees of other Boards, etc. are annexed to the Notice and form part of the Explanatory Statement. The Director has furnished the relevant consents, declarations, etc. for his re-appointment.

5. Appointment/Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Company at mumbai@pelhakoba.com.

6. **Registration of email ID and Bank Account details:**

   In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/ Depositories, log in details for e-voting are being sent on the registered email address.

   In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and/ or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

   (i) Kindly log in to the website of our RTA, Link Intime India Private Ltd., www.linkintime.co.in under Investor Services > Email/Bank detail Registration - fill in the details and upload the required documents and submit. **OR**

   (ii) *In the case of Shares held in Demat mode:*

   The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

7. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2023-24 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated 7th October, 2023. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2023-24 will also be available on the Company's website www.pelhakoba.com; websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd, BSE Limited and The Calcutta Stock Exchange Limited at www.nseindia.com, www.bseindia.com and www.cse-india.com respectively. Members can attend and participate in the Annual General Meeting through VC/ OAVM facility only.

8. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.

9. All documents referred to in the accompanying Notice and the Explanatory Statement are available on website of the Company at www.pelhakoba.com for inspection by the Members up to the date of 32nd Annual General Meeting.

10. The Register of Members and Share Transfer Register of the Company will remain closed from Wednesday, 31st July, 2024 to Tuesday, 6th August, 2024 (both days inclusive).

11. The details of unpaid and unclaimed amounts as on 31st March, 2024 are uploaded on the Company's website (www.pelhakoba.com). As per amendment to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 dated 5th September, 2016, 3,750 shares have been transferred to IEPF suspense account on 4th February, 2021. Dividend of ₹1,115.50 on above shares (declared for the Financial Year 2021-2022) were transferred to IEPF account. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund

("IEPF"). Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. During the year the Members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

12. Members are requested to apply for consolidation of folios, in case their holdings are maintained in multiple folios.

13. Shareholders seeking any information with regard to the Accounts are requested to write to the Company at least ten days in advance so as to enable the Company to keep the information ready.

14. The Securities and Exchange Board of India has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market and Members holding shares in electronic form are requested to submit their PAN to their Depositories Participant(s). Members holding shares in physical form shall submit their PAN details to R & TA, if not already submitted.

Members who hold shares in physical form and desire to receive the documents in electronic mode are requested to provide their details (name, folio no, e-mail id) on the Company's e-mail address viz. mumbai@pelhakoba.com. Members who hold shares in electronic form are requested to get their details updated with the respective Depositories.

15. The members are requested to:

    a) Intimate changes, if any, in their Registered address to the Registrar and Transfer Agents of the Company M/s. Link Intime India Pvt. Ltd at C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400083.

    b) Quote Ledger Folio/Client Id/DP ID numbers in all their correspondence.

16. The instructions for shareholders voting electronically are as under:

EVENT NUMBER: 240243

The voting period begins on Saturday, 3rd August, 2024 (9.00 a.m. IST) to Monday, 5th August, 2024 (5.00 p.m. IST) During this period shareholder's of the Company, holding shares whether in physical form or in dematerialized form, as on the cut-off date Tuesday, 30th July, 2024, may cast their vote electronically. The e-voting module shall be disabled by LINKINTIME for voting after Monday, 5th August, 2024 at 5.00 p.m.

Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only Tuesday, 30th July, 2024.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "Login".

b) Enter user id and password. Post successful authentication, click on "Access to e-voting".

c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User not registered for IDeAS facility:

a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

b) Proceed with updating the required fields.

c) Post registration, user will be provided with Login ID and password.

d) After successful login, click on "Access to e-voting".

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

a) Visit URL: https://www.evoting.nsdl.com/

b) Click on the "Login" tab available under 'Shareholder/ Member' section.

c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – From Easi/Easiest

Users who have registered/ opted for Easi/Easiest

a) Visit URL: https://web.cdslindia.com/myeasinew/home/login or www.cdslindia.com.

b) Click on New System Myeasi.

c) Login with user id and password.

d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users not registered for Easi/Easiest

a) To register, visit URL: https://web.cdslindia.com/myeasinew/Registration/EasiRegistration.

b) Proceed with updating the required fields.

c) Post registration, user will be provided Login ID and password.

d) After successful login, user able to see e-voting menu.

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

a) Visit URL: https://www.cdslindia.com/

b) Go to e-voting tab.

c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".

d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account

e) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

a) Login to DP website.

b) After Successful login, members shall navigate through "e-voting" tab under Stocks option.

c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.

d) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: https://instavote.linkintime.co.in

2. Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details: -

    A. User ID:

    Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

    B. PAN:

    Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. **DOB/DOI:**

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Shareholders holding shares in **physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

Shareholders holding shares in **NSDL form, shall provide 'D' above*

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
- Click "confirm" (Your password is now generated).

3. Click on **'Login'** under **'SHARE HOLDER'** tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **'Submit'**.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select **'View'** icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).
4. After selecting the desired option i.e. Favour / Against, click on **'Submit'**. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration

a) Visit URL: https://instavote.linkintime.co.in

b) Click on Sign up under "Corporate Body/ Custodian/Mutual Fund"

c) Fill up your entity details and submit the form.

d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr.No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.

f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on "Investor Mapping" tab under the Menu Section.

c) Map the Investor with the following details:

a. 'Investor ID' -

i. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678

ii. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

b. 'Investor's Name - Enter full name of the entity.

c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.

d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.

d) Click on Submit button and investor will be mapped now.

e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on 'Votes Entry' tab under the Menu section.

c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.

d) Enter '16-digit Demat Account No.' for which you want to cast vote.

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).

f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.

g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) You will be able to see the notification for e-voting in inbox.

c) Select **'View'** icon for **'Company's Name / Event number '.** E-voting page will appear.

d) Download sample vote file from 'Download Sample Vote File' option.

e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.

f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Individual shareholders holding securities in physical form has forgotten the password:

If an Individual shareholders holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

- Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional shareholders ("Corporate Body/ Custodian/ Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

- Click on **'Login'** under **'Corporate Body/ Custodian/Mutual Fund'** tab and further Click 'forgot password?'

o Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

➢ It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

➢ For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

➢ During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Tuesday, 30th July, 2024.

Any person who acquires shares of the Company and become Members of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Tuesday, 30th July, 2024, may obtain the login id and password by sending a request at enotices@linkintime.co.in or to the Company at mumbai@pelhakoba.com.

17. Instructions for joining the Annual General Meeting through InstaMeet are as follows:

    Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.

    Shareholders/Members are requested to participate on first come first serve basis as participation through VC/ OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join 15 (fifteen) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time. Participation is restricted upto 1000 members only.

    Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:

    1. Open the internet browser and launch the URL: https://instameet.linkintime.co.in & Click on "Login".

        • Select the "Company" and 'Event Date' and register with your following details: -

    A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

    • Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID.**

    • Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID.**

    • Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company.

    B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

    C. Mobile No.: Enter your mobile number.

    D. Email ID: Enter your email id, as recorded with your DP/Company.

    • Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

    Note:

    Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

    Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

    Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

    In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call us: -Tel :(022-49186175).

18. **Instructions for Shareholders/Members to register themselves as Speakers during Annual General Meeting through InstaMeet:**

    Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at mumbai@pelhakoba.com from Saturday, 3rd August, 2024, 9.00 a.m. to Monday, 5th August, 2024 by 5.00 p.m. (Date & Time) (preferably one day or 24 hrs. prior to the date of AGM).

    The first 5 Speakers on first come basis will only be allowed to express their views/ask questions during the meeting.

    Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at mumbai@pelhakoba.com. The same will be replied by the company suitably.

    Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

    Note:

    Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.

    Shareholders/ Members should allow to use camera and are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

19. **Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:**

    Once the electronic voting is activated by the scrutiniser during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

    1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"

    2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.

    3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

    4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

    5. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.

    6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

    Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

    Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

    In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call us: - Tel :(022-49186175)

20. Mr. Sanjay R. Dholakia, Practising Company Secretary (Membership No. F 2655 and C P No. 1798) has been appointed as Scrutinizer to scrutinize the voting and e-Voting process in a fair and transparent manner.

21. The Scrutinizer shall after conclusion of voting at the Annual General Meeting shall make a consolidated scrutinizer's report, not later than three days of the conclusion of the AGM, of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him, who shall countersign the same and declare the result of the voting forthwith.

22. The Results of the voting with the report of the Scrutinizer shall be placed on the website of the Company i.e. www.pelhakoba.com immediately after declaration of the results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited, National Stock Exchange of India Limited and Calcutta Stock Exchange.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

That following explanatory statement sets out the material facts referring to Item No. 3 to 5 of the Notice.

ITEM NO. 3

As the Members are aware that Mr. Harsh Vardhan Bassi is at present Managing Director and instrumental in Company's ability to negotiate and take the Company to new heights. With his ability and skill, he successfully motivated the employees and has become bridge with Bankers and other Government agencies. Due to their constant efforts, the Nomination and Remuneration committee and Board of Directors have approved payment of remuneration not exceeding ₹5,00,000/- (Rupees Five Lacs only) per month to Mr. Harsh Vardhan Bassi as a Managing Director with effect from 28th October, 2024 till balance period i.e. 28th October, 2026, due to his dedicated leadership. The details of remuneration payable to him is as under:

Nature	Mr. Harsh Vardhan Bassi, Managing Director	Remarks if any
Salary per month	₹5,00,000	--
Perquisites	--	--
Leave Salary	--	--
Drivers' Allowance	--	--
HRA	--	--
Medical Expenses	--	--
PF	--	--
Gratuity		

The above remuneration of Mr. Harsh Vardhan Bassi is same since, his re-appointment made from 29th October, 2021.

This statement may also be regarded as an appropriate disclosure under the Companies Act, 2013 and the Listing Regulations.

Save and except Mr. Harsh Vardhan Bassi, none of the Directors or Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board of Directors recommends Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

Statement containing additional information as required in Schedule V of the Companies Act, 2013:

I. General Information:

1.	Nature of industry	Engaged in manufacturing, exporting and retailing of embroidery fabric, laces and apparels.
2.	Date or expected date of commencement of commercial production	Existing Company in operation since, 1993.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable.
4.	Financial performance based on given indicators	In the financial year 2023-2024, the Company made a turnover of ₹34,016.10 lacs and Profit of ₹403.88 lacs after tax.
5.	Foreign investments or collaborations, if any.	NIL

II. Information about Mr. Harsh Vardhan Bassi:

1.	Background details	Mr. Harsh Vardhan Bassi is the Managing Director of our Company and is mainly responsible for its overall performance. His leadership and vision ensure that the Company performs at its best-possible level, given the macro environment and internal capabilities.
2.	Past remuneration	₹5,00,000 p.m. since, last 3 years.
3.	Recognition or awards	NIL

4.	Job profile and his suitability	Mr. Harsh Vardhan Bassi joined the Company in the year 2003, and has been instrumental in the growth and success of the Company over the years. He has been at the helm of affairs of the Company, being overall responsible for the general conduct and management of the business. Under his astute leadership, Pioneer has navigated through tough business environment, and he has played a pivotal role in the significant strides made by the Company over the years.
5.	Remuneration proposed	₹5,00,000 p.m.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration of Mr. Harsh Vardhan Bassi is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and diverse nature of its business.
7.	Pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel, if any.	Mr. Harsh Vardhan Bassi is not related to any of the Directors and Key Managerial Personnel of the Company.

III. Other Information:

1.	Reasons of loss or inadequate profits	This proposal is under applicable provisions of Schedule V, as the remuneration payable to the Managing Director (and other executive directors) exceeds the limits prescribed. While the profits of the Company appear to be inadequate as per the provisions of Schedule V, it is a fact that the Chairman and other Executive Directors have hands-on experience, are capable of handling multiple responsibilities, and thus are able to lead a compact team of professionals. Various macro factors, such as inflationary trends in overseas markets, inadequate demand for value-added products, cheaper imports and input cost pressures have limited increase in sales and profitability.
2.	Steps taken or proposed to be taken for improvement	Company has completed major capex in both its product lines – Specialized Polyester Filament Yarn, and Embroidery and Laces. Such expansion was undertaken to improve the overall sales and profitability of the Company by focusing on increased share of value-added products as well as cost rationalisation.
3.	Expected increase in productivity and profits in measurable terms	Expanded capacities have been put to use only in the second half of the financial year FY2023-24. However, the entire benefits of the expansion projects, both on higher product realisation as well as cost savings, have not been fully achieved due to inadequate demand scenario in both domestic and export markets. We expect this scenario to improve significantly in the coming quarters, and the additional profits so generated should support higher salary expenses of the Company's directors.

ITEM NO. 4

Mr. Saurabh Maheshwari (DIN:00283903) is a Chartered Accountant by qualification. He has over 24 years of experience in the field of Textiles sector mainly in the field of manufacturing as well as processing of various yarns. He is instrumental in setting up of Greenfield speciality polyester yarn project at Kala Amb, Himachal Pradesh from selection of land, manufacturing technology, team building, distribution channel particularly for international business and selection of appropriate Product mix. His rich and varied experience in the industry and on account of the way he has led the yarn project over the last 17 years. The Nomination and Remuneration committee and Board of Directors have approved payment of remuneration not exceeding ₹4,02,000/- (Rupees Four Lacs Two Thousand only) per month to Mr. Saurabh Maheshwari as a Director with effect from 17th May, 2024 till balance period i.e. 17th May, 2026. The details of remuneration payable to him is as under:

Nature	Mr. Saurabh Maheshwari, Executive Director	Remarks if any
Salary per month	₹4,02,000	--
Perquisites	--	--
Leave Salary	--	--
Drivers' Allowance	--	--
HRA	--	--
Medical Expenses	--	--
PF	--	--
Gratuity	--	--

The above remuneration of Mr. Saurabh Maheshwari is same since, his appointment made from 18th May, 2021.

This statement may also be regarded as an appropriate disclosure under the Companies Act, 2013 and the Listing Regulations.

Save and except Mr. Saurabh Maheshwari, none of the Directors or Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board of Directors recommends Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

Statement containing additional information as required in Schedule V of the Companies Act, 2013 – Mr. Saurabh Maheshwari (Item No.4 of Notice)

I. General Information:

1.	Nature of industry	Engaged in manufacturing, exporting and retailing of embroidery fabric, laces and apparels.
2.	Date or expected date of commencement of commercial production	Existing Company in operation since, 1993.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable.
4.	Financial performance based on given indicators	In the financial year 2023-2024, the Company made a turnover of ₹34,016.10 lacs and Profit of ₹403.88 lacs after tax.
5.	Foreign investments or collaborations, if any.	NIL

II. Information about Mr. Saurabh Maheshwari:

1.	Background details	Mr. Saurabh Maheshwari is a Director of the Company and is mainly responsible for SPFY division. He is instrumental in setting up of Greenfield speciality polyester yarn project at Kala Amb, Himachal Pradesh from selection of land, manufacturing technology, team building, distribution channel particularly for international business and selection of appropriate Product mix. His rich and varied experience in the industry and on account of the way he has led the yarn project over the last 17 years.
2.	Past remuneration	₹4,02,000 p.m. since, last 3 years.
3.	Recognition or awards	NIL
4.	Job profile and his suitability	Mr. Saurabh Maheshwari was responsible for manufacturing as well as processing of SFPY. Over his long tenure he had actively led the steady growth story of the Company which saw the Company attain new heights of market share and profitability.
5.	Remuneration proposed	₹4,02,000 p.m.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration of Mr. Saurabh Maheshwari is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and diverse nature of its business.
7.	Pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel, if any.	Mr. Saurabh Maheshwari is not related to any of the Directors and Key Managerial Personnel of the Company.

III. Other Information:

1.	Reasons of loss or inadequate profits	This proposal is under applicable provisions of Schedule V, as the remuneration payable to the Managing Director (and other executive directors) exceeds the limits prescribed. While the profits of the Company appear to be inadequate as per the provisions of Schedule V, it is a fact that the Chairman and other Executive Directors have hands-on experience, are capable of handling multiple responsibilities, and thus are able to lead a compact team of professionals. Various macro factors, such as inflationary trends in overseas markets, inadequate demand for value-added products, cheaper imports and input cost pressures have limited increase in sales and profitability.
2.	Steps taken or proposed to be taken for improvement	Company has completed major capex in both its product lines – Specialized Polyester Filament Yarn, and Embroidery and Laces. Such expansion was undertaken to improve the overall sales and profitability of the Company by focusing on increased share of value-added products as well as cost rationalisation.
3.	Expected increase in productivity and profits in measurable terms	Expanded capacities have been put to use only in the second half of the financial year FY2023-24. However, the entire benefits of the expansion projects, both on higher product realisation as well as cost savings, have not been fully achieved due to inadequate demand scenario in both domestic and export markets. We expect this scenario to improve significantly in the coming quarters, and the additional profits so generated should support higher salary expenses of the Company's directors.

ITEM NO. 5

The Board of Directors of the Company on the recommendation of the Audit Committee approved the re-appointment of M/s. Vipul Bhardwaj & Co., Cost Accountants, to conduct the audit of the Cost records of the Company for the financial year ending on 31st March, 2025.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the financial year ending on 31st March, 2025, as set out in the Resolution for the aforesaid services to be rendered by them.

This statement may also be regarded as an appropriate disclosure under the Companies Act, 2013 and the Listing Regulations.

None of the Directors or Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board of Directors recommends Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Members.

By order of the Board of Directors
For **PIONEER EMBROIDERIES LIMITED**

Harsh Vardhan Bassi
Managing Director
DIN:00102941

Place: Mumbai
Date : 27th May, 2024

Annexure to Item No. 2 to 4 of the Notice:

Name	**Mr. Harsh Vardhan Bassi**	**Mr. Saurabh Maheshwari**
Date of Birth	09/01/1974	27/11/1977
Nature of Expertise	Manufacturing, Business Development, Marketing and other Business verticals.	Business Strategy, International Business, Team Building, Finance, Networking and Supply Chain.
Experience	26 years	24 years
Relationships between directors inter se	Not Applicable	Not Applicable
Name of listed Companies in which holds Directorship	NIL	NIL
Name of other Companies in Committees of which holds Membership/ Chairmanship	NIL	NIL
Shareholding in Pioneer Embroideries Limited	NIL	1,15,000

DIRECTOR'S REPORT

To
The Members,
PIONEER EMBROIDERIES LIMITED

Your Directors present the Thirty Second Annual Report of your Company on the business and operations for the year ended 31st March, 2024.

FINANCIAL HIGHLIGHTS

(₹ in lakh)

		For the year ended 31st March, 2024	For the year ended 31st March, 2023
Turnover	– Domestic	28,959.14	24,496.30
	– Export including Incentive	4,659.44	5,167.96
Other Income		397.52	311.78
Total		**34,016.10**	**29,976.04**
Profit before Financial Charges, Depreciation, Exceptional Items & Tax		2,638.67	1,531.17
Financial Charges		926.41	364.14
Profit before Depreciation, Exceptional Items and Tax		1,712.26	1,167.03
Depreciation		1,253.82	846.11
Profit before Exceptional Items & Tax		458.44	320.92
Exceptional Items – Income (Net)		--	912.19
Profit/(Loss) before Tax		458.44	1,233.11
Tax Expenses		70.15	362.57
Net Profit		**388.29**	**870.54**
Per share data			
Basic Earnings per Share (₹)		1.43	3.27
Diluted Earnings per Share (₹)		1.39	3.27
Book Value per Share (₹)		50.64	50.30

YEAR IN RETROSPECT

Profit before Finance Costs, Depreciation, Tax and Exceptional Items for the year stood at ₹2,639 lakhs (previous year ₹1,531 lakhs), an increase of about 72%. The Company generated an operational cash profit of ₹1,712 lakhs during the year under review (previous year ₹1,167 lakhs), recording an increase of about 47%. Profit Before Exceptional Items and Tax rose by 43% to ₹458 lakhs The Net Profit for the year stood at ₹388 lakhs (previous year ₹871 lakhs), a decline of about 55%, mainly on account of exceptional income generated in previous year.

The increase in operational profitability and turnover was a result of an expanded capacities of Embroideries and Laces at its new plant at Shree Ganesh Integrated Textile Park, Degoan, Dhule in Maharashtra, and of Specialized Polyester Filament Yarn at its plant at Himachal Pradesh. However, both the businesses are yet to achieve the desired capacity utilization and value-added production due to tough business environment.

Turnover of the Company for the year under review stood at ₹33,619 lakhs as against ₹29,664 lakhs in the previous year, an increase of about 13.3%, primarily on account of expanded capacity.

The Company's business segment of Specialized Polyester Filament Yarn (SPFY), reported a full-year revenue of ₹28,213 lakhs as against previous year figure of ₹24,905 lakhs an increase of over 13%.

Overall exports of the Company decreased by 9.8% during the year under review, to ₹4,659 lakh (previous year ₹5,168 lakh), as overseas demand remained soft and delivery costs firmed up.

Overall domestic business increased to ₹28,959 lakhs (previous year ₹24,496 lakhs), up about 18.2%. SPFY reported domestic revenues of ₹23,894 lakhs (previous year ₹20,856 lakhs), an increase of 14.6%, while EL reported 39% higher domestic revenues of ₹5,065 lakhs (previous year₹3,641 lakhs).

A detailed review of the performance during the year is given under the section - Management Discussion and Analysis Report as stipulated under Regulation 34 read with part B of Schedule V of Listing Regulations entered into with the Stock Exchanges is set out in a separate section and forms part of the Directors Report.

TRANSFER TO RESERVES

The Board does not propose to carry any amounts to reserves.

CHANGE IN NATURE OF BUSINESS

There is no change in nature of Business of the Company.

INDUSTRY OVERVIEW

Global Textile & Apparel Industry:

The global textile market has shown robust growth, expanding from $638.03 billion in 2023 to $689.54 billion in 2024, driven by factors like population growth, demand for man-made fibers, and sustainability initiatives. With expected growth to $903.45 billion by 2028, trends include digital printing, sustainable materials, and AI integration, bolstered by e-commerce and digital supply chain innovations.

Indian Textile & Apparel Industry:

India's textiles and apparel market is projected to grow at a 10% CAGR, reaching $350 billion by 2030, driven by robust export potential and substantial GDP contribution. As the world's largest cotton producer, India plays a pivotal role in global textile supply chains, with significant growth anticipated in both domestic and international markets.

India's Domestic Textile & Apparel Market:

India's domestic market for textiles and apparel is poised for substantial growth, supported by rising disposable incomes and increasing urbanization. The sector contributes significantly to GDP and industrial production, with expectations of doubling its GDP contribution by 2030, reflecting the sector's integral role in India's economic landscape.

India's Textile & Apparel Exports:

India is a major player in global textile exports, with projections indicating exports reaching $100 billion by 2030. Key exports include a variety of textiles, cotton yarns, fabrics, and handicrafts, contributing significantly to India's foreign exchange earnings and positioning the country among the top exporters globally.

India's Textile & Apparel Imports:

Despite being a leading exporter, India also imports significant quantities of textiles and apparel to meet domestic demand for specialized products and raw materials. The import sector complements India's robust manufacturing capabilities, ensuring a diverse range of products catered to both domestic consumption and international markets.

CAPITAL EXPANSION

Your Company has completed its expansion of capacities in both the SPFY segment (in **POY** *(Partially Oriented Yarn)* and **DTY** *(Draw Textured Yarn))* and in the Embroidery Segment. The total project cost of both segments is about ₹116 crore, of which ₹43 crore has been generated through internal accruals and sale of assets, while the balance is funded through borrowings.

BANK BORROWINGS

The total secured borrowings as on year-end FY24 stand at about ₹10,460 lakhs (₹9,136 lakhs), including working capital of ₹2,690 lakhs (previous year of ₹2,249 lakhs).

DEMERGER

The draft Scheme of Arrangement involving demerger of Embroidery & Lace (ELD) business, or the "ELD Business" Undertaking, from Pioneer Embroideries Limited ("Demerged Company") into Pioneer Realty Limited ("Resulting Company") under sections 230 to 232 read with section 66 of the Companies Act, 2013 and other applicable provisions of Companies Act, Rules and Regulations thereunder, was filed for approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulations") read with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23rd November, 2021 (read with SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/003 dated January 03, 2022) ("Circular"), with the BSE Limited (BSE), the National Stock Exchange of India Limited (NSE) and Securities and Exchange Board of India Limited (SEBI), for in-principal approval. The scheme was returned by BSE & NSE on 16th August, 2023 and 30th November, 2023 respectively, seeking prior NOC of Calcutta Stock Exchange (on which PEL had already applied for delisting earlier).

The Company had filed revocation application which has been approved by CSE and also filed listing application with CSE. The same is under process.

LISTING

The Equity Shares of the Company are listed with the BSE, NSE & CSE.

The shares of the Company were earlier listed with Delhi Stock Exchange also. However, the Company had submitted application for delisting of its shares from this Stock Exchange in the year 2007 as approved by the shareholders in the Annual General Meeting held on 29th December, 2006.

DIVIDEND

Your Directors have not recommended any dividend on equity shares in respect of the financial year 2024-25, in view of conserving the funds for business expansion.

SHARE CAPITAL

During the year, 38,40,000 Share Warrants of ₹10 each at a premium of ₹33 each were issued to Mr. Raj Kumar Sekhani and M/s. Tano Investment Opportunities Fund i.e. to the person belonging to Promoter and Non-Promoter Group respectively, on preferential basis on 28th September, 2023.

M/s. Tano Investment Opportunities Fund has been allotted 25,00,000 equity shares on 2nd February, 2024, pursuant to conversion of its entire Share Warrants after receipt of full payment.

SUBSIDIARY COMPANIES

The revenue of Hakoba Lifestyle Limited in current year stood at ₹0.49 lakh (₹0.09 lakhs). Profit after tax and exceptional item stood at ₹0.54 lakh as compared to net loss of ₹0.88 lakhs in previous year.

The revenue of Crystal Lace (India) Limited in current year stood at ₹17.31 lakhs (₹0.67 lakhs). The Company has incurred a net loss of ₹31.55 lakhs as compared to net loss of ₹41.63 lakhs in previous year.

Pioneer Realty Limited had no activity during the year.

The statement of subsidiaries in Form AOC-1 (pursuant to first proviso to sub section (3) of section 129 of the Companies Act, 2013) is provided as **Annexure - A** to the Consolidated Financial Statement and hence not repeated here for the sake of brevity.

CONSOLIDATED ACCOUNTS

The Consolidated Financial Statements of the Company are prepared in compliance with applicable provisions of the Companies Act, 2013, and "Ind AS" issued by the Institute of Chartered Accountants of India as well as Listing Regulations as prescribed by the Securities and Exchange Board of India (SEBI) and form a part of the Annual Report.

CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance with Auditors Certificate confirming compliance, is attached and forms an integral part of this Report. Further, a declaration affirming compliance with the code of conduct by all the Board members and senior management personnel along with certificate under Regulation 17(8) of the SEBI Listing Regulations is also given in this Annual Report.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, copies of the Annual Returns of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 are made available on the Company's website (www.pelhakoba.com).

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company Mr. Saurabh Maheshwari (DIN:00283903), who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. Accordingly, his re-appointment forms part of the notice of the ensuing Annual General Meeting.

The Nomination and Remuneration Committee and Board of Directors have approved payment of remuneration including perquisites not exceeding ₹5,00,000/- (Rupees Five Lacs only) per month to Mr. Harsh Vardhan Bassi as Managing Director, with effect from 28th October, 2024 till balance period i.e. 28th October, 2026 and remuneration including perquisites not exceeding ₹4,02,000/- (Rupees Four Lacs and Two Thousand only) per month to Mr. Saurabh Maheshwari as an Executive Director with effect from 17th May, 2024 till balance period i.e. 17th May, 2026. Such remuneration is unchanged since their re-appointments in 2021.

Approval for payment of such remunerations, under Schedule V of the Companies Act, is being sought in the forthcoming Annual General Meeting of the Company.

Mr. Joginder Kumar Baweja and Mr. Gopalkrishnan Sivaraman ceased to be an Independent Director with effect from 5th February, 2024 and 16th April, 2024 respectively. The Board placed on record its appreciation and guidance provide by them during their tenure. The Company has been benefited from their experience and direction.

KEY MANAGERIAL PERSONNEL

The following are the Key Managerial Personnel of the Company pursuant to Section 203 of the Companies Act, 2013:

Sr. No.	Name	Designation
1.	Mr. Harsh Vardhan Bassi	Managing Director
2.	Ms-. Ami Thakkar	Company Secretary
3.	Mr. Deepak Sipani	Chief Financial Officer (CFO)

BOARD PERFORMANCE/ EVALUATION

The performance evaluation of the non-executive directors is done by the Board annually. This evaluation is based taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as the attendance and contribution of the member at the Board/ Committee meetings. The process also considers core competency, expertise, personnel characteristic and specific responsibility of the concerned director.

The performance evaluation of the Chairman, Managing and Executive Director was carried out by the Independent Directors in a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the view of the Executive Directors and Non-Executive Directors. A separate exercise was carried out to evaluate the performance of individual Directors who were evaluated on parameters such as level of engagement, contribution and independence of judgment. The Board of Directors expressed their satisfaction with the evaluation process.

DECLARATION BY AN INDEPENDENT DIRECTOR(S) AND RE-APPOINTMENT, IF ANY

All the Independent Directors have provided the declaration of Independence, as required pursuant to Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in sub-section (6) and SEBI LODR Regulations.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

All new Independent Directors (IDs) inducted into the Board are given an orientation. Presentations are made by Executive Directors (EDs) and Senior Management giving an overview of the Company's operations, to familiarize the new Independent Directors (IDs) with the Company's Business operations. The new IDs are given an orientation on our products, group structure and subsidiary company, Board constitution and procedures, matters reserved for the Board, and the Company's major risks and risk management strategy.

BOARD MEETINGS

The details of number of meetings of the Board, held during the year forms part of the Corporate Governance Report and hence not repeated here for the sake of brevity.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR, EDUCATION AND PROTECTION FUND

The details of unpaid and unclaimed amounts as on 31st March, 2024, are uploaded on the Company's website (www.pelhakoba.com).

VIGIL MECHANISM

The Company has established a Vigil Mechanism/Whistle Blower Policy that enables the Directors and Employees to report genuine concerns. The Vigil Mechanism provides for (a) adequate safeguards against victimization of persons who use the Vigil Mechanism.
Details of the Vigil Mechanism/Whistle Blower policy are made available on the Company's website (www.pelhakoba.com).

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS BY THE COMPANY

Details of the Loans, Guarantees and Investment covered under the section 186 of the Companies Act, 2013 are given in the Financial Statements.

CREDIT RATING

The details pertaining to credit rating, forms part of the Corporate Governance Report and hence not repeated here for the sake of brevity.

NOMINATION AND REMUNERATION POLICY

The Committee has framed a policy to determine the qualification and attributes for appointment and basis of determination of remuneration of all the Directors, Key Managerial Personnel and Senior Management. A copy of the policy is annexed as **Annexure -A**.

RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and Company has not entered into any contract/arrangement/transaction with related parties which could be considered material in nature thus provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted. Thus, disclosure in Form AOC-2 in terms of Section 134 of the Companies Act, 2013, is included as **Annexure - B** and forms an integral part of this Report.

All related party transactions are placed before the Audit Committee as also to the Board for approval.

The Company has developed a Related Party Transactions Policy which has been uploaded on the website of the Company and web-link thereto has been provided in the Corporate Governance report.

DETAILS RELATING TO DEPOSITS COVERED UNDER CHAPTER V OF THE ACT

The Company has never accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, or under Chapter V of the Act. Hence, the requirement for furnishing details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There is no material change affecting the financial position of the Company which have occurred between the end of the financial year.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013:

(i) That in the preparation of the Annual Accounts for the year ended 31st March, 2024, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;

(ii) That the accounting policies selected and applied are consistent and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2024 and of the net profit of the Company for the year ended on that date;

(iii) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) That the annual accounts have been prepared on a going concern basis;

(v) That the Directors had laid down adequate internal financial controls to be followed by the Company and these are operating effectively;

(vi) That adequate and proper systems to ensure compliance with all applicable laws have been devised and such systems are operating effectively in the Company.

STATUTORY AUDIT

The appointment of M/s. M B A H & CO. (ICAI Regn. No.121426W), statutory auditors of the Company were appointed for a period of 5 years at 30th Annual general Meeting as statutory auditors till the conclusion of 35th Annual general Meeting, as per the provisions of Section 139 of the Companies Act, 2013.

There is no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors i.e. M/s. M B A H & CO., Chartered Accountants in its report and therefore, there are no further explanations to be provided for in this report and is prepared as per "Ind AS".

COST AUDIT

The Board of Directors, on the recommendation of Audit Committee, has re-appointed M/s. Vipul Bhardwaj & Co., Cost accountants, as Cost Auditor to audit the cost accounts of the Company for the year 2024-25 at a remuneration of ₹1,40,000 plus GST as applicable and reimbursement of out of pocket expenses. A resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting. The Company has maintained cost accounts and records for the business, which is applicable as per Section 148(1) of the Companies Act, 2013 for the year ended 31st March, 2024.

SECRETARIAL AUDIT

As required under Section 204 of the Companies Act 2013, and rules made thereunder, the Company has re-appointed M/s. Sanjay Dholakia & Associates, a firm of Company Secretaries in Practice (Membership No.2655; C.P. No.1798) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included as **Annexure – C** and forms an integral part of this Report.

There is no qualification, reservation or adverse remark or disclaimer made by the Secretarial Auditors in its report and therefore, there are no further explanations to be provided for in this report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk mitigation system, commensurate with its size, scale and complexity of its operations. The scope and authority of the Internal Audit function is also defined. The Audit Committee of the Board actively reviews the adequacy and effectiveness of the systems.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, corrective actions are undertaken in the respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors, including audit of internal financial controls over financial reporting, and the reviews performed by management and the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and operating effectively as at 31st March,2024.

During the year under review, no material or serious observation has been observed for inefficiency or inadequacy of such controls.

RISK MANAGEMENT

There is a continuous process for identifying, evaluating and managing significant risks faced through a risk management process designed to identify the key risks facing business. Risks would include significant weakening in demand from core-end markets, inflation uncertainties and any adverse regulatory developments, etc. During the year a risk analysis and assessment was conducted and no major risks were noticed.

SAFETY, HEALTH & ENVIRONMENT

The Company, in order to ensure health and safety of its employees and other staff, took adequate pre-emptive measures to enhance the hygiene and sanitization protocols across all offices and plants, in line with guidelines in force by local authorities. The health of the employees coming to work space is being continuously monitored for any signs of the health complications and adequate containment measures are in place. Your Company is committed to maintain its efforts in providing a safe working environment to its employees.

HUMAN RESOURCE

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. Employees are considered to be team members being one of the most critical resources in the business which maximize the effectiveness of the Organization. Human resources build the Enterprise and the sense of belonging would inculcate the spirit of dedication and loyalty amongst them towards strengthening the Company's Polices and Systems. The Company takes various HR initiatives to align the HR policy to the growing requirements of business.

Your Company regularly conducts technical and safety training programmes.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There are no orders passed by the Regulators or courts or tribunals impacting the going concern status and Company's operations in future.

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14, the internal committee constituted under the said act has confirmed that no complaint/case has been filed/ pending with the Company during the year.

MANAGERIAL REMUNERATION

a. Details of the remuneration of each director to the median remuneration of the employees of the Company and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as **Annexure - D**.

b. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014, are attached as **Annexure-E** to this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company seeks to build constructive relationship with all the stakeholders and wants to benefit from your Company's presence. The Company had formed the CSR Committee and has framed a CSR policy, which has been uploaded on the website of the Company. The provisions of CSR activities under Companies Act 2013 were applicable to your Company. A detail pursuant to Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as **Annexure -F**.

Employee Stock Option Plan (ESOP)

Details of ESOP implemented during the year are as below:

(a) options granted; NIL
(b) options vested; NIL
(c) options exercised; NIL
(e) options lapsed; 28,000*
(f) the exercise price; NA
(g) variation in terms of options; No
(h) money realised by exercise of options; NA
(i) total number of options in force; 18,500
(j) employee wise details of options granted to: (i) Key Managerial Personnel:
*Due to resignation of certain employees.

There is no material change in the ESOP scheme and the same is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014. ESOP scheme are made available on the Company's website (www.pelhakoba.com).

As per Regulation 13 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, a certificate received from the secretarial auditor of the company that the scheme(s) has been implemented in accordance with these regulations and in accordance with the resolution of the Company in the general meeting is annexed as **Annexure -G**.

APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

During the year, there were no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

Annexure - A

DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year, the Company had not made any One Time Settlement with any banks or Financial Institutions.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards issued by Institute of Company Secretaries of India on Meeting of Board of Directors and General Meetings.

GENERAL DISCLOSURE

During the Financial Year under review:

a. the Company has not issued Equity Shares with differential rights as to dividend, voting or otherwise, pursuant to the provisions of Section 43 of the Act and Rules made thereunder.

b. the Company has not made any provisions of money or has not provided any loan to the employees of the Company for purchase of shares of the Company or its holding Company, pursuant to the provisions of Section 67 of the Act and Rules made thereunder.

c. the Company has not accepted any deposit from the public, pursuant to the Chapter V of the Act and Rules made thereunder.

d. the Company has not bought back its shares, pursuant to the provisions of Section 68 of the Act and Rules made thereunder.

e. there were no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

f. there were no significant material changes and commitments affecting the financial position of the Company, which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of this Report.

g. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

ACKNOWLEDGEMENT

The Management of your Company is grateful to the Government Authorities, Shareholders, Valued Customers, Company's Bankers, Raw Material Suppliers, and other Business Associates for their continued support and co-operation.

The Directors also wish to place on record their appreciation of the co-operation, active involvement and dedication of the employees, which enabled the Management to contribute to the revival of your Company.

For and on behalf of the Board of Directors

Place : Mumbai.
Date : 27th May, 2024

RAJ KUMAR SEKHANI
Chairman
DIN:00102843

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (LODR) Regulations, 2011, as amended from time to time.

This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

DEFINITIONS

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

"Key Managerial Personnel" means:

i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;

ii) CFO;

iii) Company Secretary; and

iv) such other officer as may be prescribed.

"Senior Managerial Personnel" mean the personnel of the Company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

OBJECTIVES OF THE POLICY

The objective of the policy is to ensure that

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, key managerial personnel and senior management involves a balance short and long-term performance objectives appropriate to the working of the Company and its goals.

COMPOSITION OF THE COMMITTEE

- The Committee shall consist of a minimum 3 non-executive Directors, majority of them being independent.
- Minimum two (2) members shall constitute a quorum for the Committee meeting.
- Membership of the Committee shall be disclosed in the Annual Report.
- Term of the Committee shall be continued unless terminated by the Board of Directors.

CHAIRPERSON

- Chairperson of the Committee shall be an Independent Director.
- Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

COMMITTEE MEMBERS' INTERESTS

- A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

ROLE OF THE COMMITTEE

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.

- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- Identifying and recommending Directors who are to be put forward for retirement by rotation.
- Determining the appropriate size, diversity and composition of the Board;
- Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director, KMP and Senior Management Personnel at any time including the suspension or termination of service subject to the provision of the law and their service contract.
- Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- Recommend any necessary changes to the Board; and
- Considering any other matters, as may be requested by the Board.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

1) Remuneration to Managing Director / Whole-time Directors:

- The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2) Remuneration to Non- Executive / Independent Directors:

- The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
  - ➢ The Services are rendered by such Director in his capacity as the professional; and
  - ➢ In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.
- The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).

3) Remuneration to Key Managerial Personnel and Senior Management:

- The remuneration to Key Managerial Personnel and Senior Management may consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- The Company may issue Employee Stock Option / Purchase Schemes to Key Managerial Personnel and Senior Management in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

TERM / TENURE

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may delegate any of its powers to one or more of its members.

Annexure – B

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

   Not Applicable as all transactions are on Arm's Length basis

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	**I) Sales** a) Kiran Industries Pvt. Ltd b) Kiran Texpro Pvt. Ltd. c) J J and Sons d) Crystal Lace (India) Ltd **II) Purchases** a) Kiran Industries Pvt. Ltd b) Kiran Texpro Pvt. Ltd. c) J J and Sons d) Crystal Lace (India) Ltd **III) Rent Paid** a) Kiran Industries Pvt. Ltd **IV) Rent Received** b) Kiran Texpro Pvt. Ltd
b)	Nature of contracts/arrangements/transaction	Invoice
c)	Duration of the contracts/ arrangements/ transaction	As and when required
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	As per normal business norms
e)	Date of approval by the Board	11th February, 2023
f)	Amount paid as advances, if any	NIL

For and on behalf of the Board of Directors

RAJ KUMAR SEKHANI
Chairman
DIN:00102843

Date : 27th May, 2024
Place : Mumbai.

Annexure C

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2024
[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, 2024 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, 2024 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;

(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.

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

During the year under review, The Scheme of Arrangement between Pioneer Embroideries Limited ("PEL" or Demerged Company") and Pioneer Reality Limited ("PRL" or "Resulting Company was being returned by BSE Limited and National Stock Exchange of India Limited (NSE) to the Company with the liberty to submit the same again once the said NOC is received from Calcutta Stock Exchange (CSE). However, now we are informed that the company is in the process of making application to CSE for getting the permission of said Demerger.

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 31st March, 2024.

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: 27th May, 2024
Place: Mumbai

UDIN: F002655F000453292

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 DHOLAKIA
Practicing Company Secretary
Proprietor

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

Date: 27th May, 2024
Place: Mumbai

UDIN: F002655F000453292

Annexure - D

STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i. The ratio of the remuneration of each director to the median remuneration of the Employees of the Company for the financial year:

Name of Director	Designation	Ratio to median remuneration of the employees
Mr. Raj Kumar Sekhani	Chairman	47:1
Mr. Harsh Vardhan Bassi	Managing Director	20:1
Mr. Saurabh Maheshwari	Executive Director	27:1

(a) The Median remuneration of Employees of the Company was ₹1.80 Lakhs.

(b) For this purpose, sitting fees paid to the Directors have not been considered as remuneration.

ii. The % increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year:

Designation	Name of Employee	% increase/decrease in remuneration
Chairman	Mr. Raj Kumar Sekhani	--
Managing Director	Mr. Harsh Vardhan Bassi	--
Executive Director	Mr. Saurabh Maheshwari	26.06
CFO	Mr. Deepak Sipani	12.90
Company Secretary	Ms. Ami Thakkar	19.57

iii. The % increase in the median remuneration of employees in the financial Year: ₹30.53%.

iv. The number of permanent employees on the rolls of the Company :1000.

v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The median percentage increase made in the salaries of employees other than the managerial personnel was 42.51% while the increase in the remuneration of managerial personnel was 8.50%.

vi. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company hereby affirmed that the remuneration is as per the Remuneration policy of the Company.

vi. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

For and on behalf of the Board of Directors

RAJ KUMAR SEKHANI
Chairman
DIN:00102843

Date : 27th May, 2024
Place : Mumbai.

Annexure – E

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2024 is given here below and forms part of Directors' Report.

A) CONSERVATION OF ENERGY:

The manufacturing processes of the Company are not energy intensive, therefore, impact of energy saving devices is insignificant.

B) TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:

The Company has not imported any technology at any time during the last five years.

RESEARCH AND DEVELOPMENT:

a)	Specific areas in which R & D has carried out by the Company	The Company has carried out R & D in the area of product development & cost reduction.
b)	Benefit derived as a result of R & D.	Sales and quality of the products of the Company has improved substantially.
c)	Future Plan of action	The Company plans to strengthen its R & D activity and intensify its cost reduction programme.
d)	Expenditure on R & D	Expenditure on R & D is not accounted for separately.

C) FOREIGN EXCHANGE EARNING AND OUTGO:

(₹ in lakhs)

	2023-24	2022-23
Total Foreign Exchange Used (Payment Basis)	2,028.86	3,442.82
Total Foreign Exchange Earned	4,474.09	4,992.29

Annexure-F

CORPORATE SOCIAL RESPONSIBILITY (CSR)

{Pursuant to clause (o) of sub-section 134 of the Act and Rule 9 of the Corporate Social responsibility) Rules, 2014}

1. A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

   We believe in the trusteeship concept. This entails transcending business interests and grappling with the "quality of life" challenges that underserved communities face and working towards making a meaningful difference to them.

   Our vision is - "to actively contribute to the social and economic development of the communities in which we operate. In so doing build a better, sustainable way of life for the weaker and marginalized sections of society and raise the Country's human development index".

   Identification of projects:

   All projects are identified in consultation with the community in a participatory manner, literally sitting with them and gauging their basic needs. We take recourse to the participatory rural appraisal mapping process. Subsequently, based on a consensus and in discussion with the village panchayats, projects are prioritized.

   Arising from this our focus areas that have emerged are Education, health care and Setting up homes for women, orphans, etc, employment enhancing vocation skills especially among women, which are in line with Schedule VII of the Companies Act, 2013.

   Your Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 which is accessible from our Company's website: https://www.pelhakoba.com/wp-content/uploads/2022/08/Corporate-Social-Responsibility-policy.pdf

2. **The Composition of the CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ms. Sushama Sunil Bhatt	Chairperson	01	01
2.	Mr. Raj Kumar Sekhani	Member	01	01
3.	Mr. Harsh Vardhan Bassi	Member	01	01
4.	Mr. Joginder Kumar Baweja*	Member	00	00

*Re-constitution of Committee w.e.f 10th November, 2024 and Mr. Joginder Kumar Baweja ceased to be an Independent Director w.e.f. 5th February, 2024 due to completion of his tenure.

3. **Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:** https://www.pelhakoba.com/wp-content/uploads/2022/08/Corporate-Social-Responsibility-policy.pdf

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):** NA

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set- off for the financial year, if any (in ₹)
1.	NA	NA	NA

6. **Average net profit of the Company as per section 135(5): ₹11.53 crores**

7. (a) Two percent of average net profit of the Company as per section 135(5): **₹23.07 lakhs**
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NA**
   (c) Amount required to be set off for the financial year: **NA**
   (d) Total CSR obligation for the financial year (7a+7b- 7c): **₹23.07 lakhs**

8. **(a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
23.09	NIL	NA	NA	NIL	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the project.		(6) Project duration.	(7) Amount allocated for the project (in ₹).	(8) Amount spent in the current financial Year (in ₹).	(9) Amount transferred to Unspent CSR Account f or the project as per Section 135(6) (in ₹).	(10) Mode of Implementa tion - Direct (Yes/ No).	(11) Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the project.		(6) Amount spent for the project (₹ in Lakhs).	(7) Mode of implementati on - Direct (Yes/No).	(8) Mode of implementation – Through implementing agency.	
1.	Mortuary Van	Promoting health care	No	Himachal Pradesh	Solan	₹10.35	Yes	NA	NA
2.	Construction of dispensary	Promoting health care	No	Maharashtra	Degaon	₹12.74	Yes	NA	NA
					Total	₹23.09			

(d) Amount spent in Administrative Overheads: **NA**

(e) Amount spent on Impact Assessment, if applicable: **NA**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹**23.09 lakhs**

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹in lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	23.07
(ii)	Total amount spent for the Financial Year	23.09
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.02
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. **(a) Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer.	
1.	NA	NA	NA	NA	NA	NA	NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹.)	Status of the project - Completed /Ongoing.
1.	NA	NA	NA	NA	NA	NA	NA	NA

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): NA

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

Harsh Vardhan Bassi
Managing Director
DIN:00102941

Sushama Sunil Bhatt
Chairman-CSR Committee
DIN:09168896

Place: Mumbai
Date: 27th May, 2024

Annexure – G

COMPLIANCE CERTIFICATE

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,
The Members,
PIONEER EMBROIDERIES LIMITED

I, Sanjay Dholakia, is Secretarial Auditor of Pioneer Embroideries Limited (hereinafter referred to as 'the Company'), having CIN L17291MH1991PLC063752 and having its registered office at Unit 101B, 1st floor, Abhishek Premises, Plot No.C5-6 Dalia Ind. Est., Off. New link Road, Andheri (W) Mumbai 400058. This certificate is issued under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "the Regulations'), for the Financial Year ended 31st March, 2024.

Management Responsibility:

It is the responsibility of the Management of the Company to implement the Scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Verification:

The Company has implemented Pioneer Embroideries Limited Employee Stock Option Plan – 2018 viz Employee Stock Option Scheme in accordance with the Regulations and the Special Resolution(s) passed by the members at the Annual General Meeting of the Company held on 20th August 2018.

Certification:

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to me by the Company and its Officers, I certify that the Company has implemented the Pioneer Embroideries Limited Employee Stock Option Plan – 2018 and Employee Stock Option Scheme in accordance with the applicable provisions of the Regulations and Resolution(s) passed by the Company in the General Meeting(s).

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Company.
2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
3. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

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: 27th May, 2024
Place: Mumbai

UDIN: F002655F000453369

CORPORATE GOVERNANCE REPORT

1. **Company's Philosophy on Corporate Governance**

Your Company believes that good Corporate Governance is essential for achieving long term goals and enhancing shareholder value. While the regulatory environment in the country has done well to have relevant structures, code and practices in place for ensuring better standards of corporate governance, We, at Pioneer, believe that compliance of the same should be both in letter and in spirit. Even before the framework was in place, your Company has always imbibed the spirit of good governance in its corporate philosophy and has created an enabling environment for nurturing good management practices. Our pursuit towards achieving good governance is an on-going basis. Apart from efficiency and competitiveness, other traits like transparency, accountability and ethical values form part of our corporate culture.

The Board of Directors at Pioneer is committed to ensure that the affairs of your Company are governed in the best interests of the shareholders, and that all endeavors are made to maintain transparency and fairness in all facets of its operations. Emphasis is on maintaining integrity of internal control systems and accountability and compliance with all statutory/ regulatory requirements. Your Company is also conscious of its responsibility as a good Corporate Citizen, and assures that its' operations would be guided by ethics and social values. Moreover, efforts are made to have such values well-defined and explicit, and have them filter down from the top brass to the lower levels of the organisation. We acknowledge the fact that quality of governance is a critical success factor for brand building, resource mobilisation, market penetration and overall business competitiveness.

In accordance with Regulation 27 and 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, with the stock exchanges and best practices followed internationally on Corporate Governance, the details of compliance by the Company are as under:

2. **Board of Directors**

The Board of the Company comprises Six Directors, out of which three are Executive Directors and three are Independent Non-Executive Directors. The Non-Executive Directors of the Company are highly experienced professionals in their fields and in the corporate world. The Chairman of the Board is an Executive Director.

The Composition of Directors on the Board of the Company is as under:

Category	No. of Directors
Executive Directors	3
Non- Executive Independent Directors	3
Total	**6**

Category	Name of Directors
Executive Directors	Mr. Raj Kumar Sekhani
	Mr. Harsh Vardhan Bassi
	Mr. Saurabh Maheshwari
Non-Executive and Independent Directors	Mr. Joginder Kumar Baweja*
	Mr. Gopalkrishnan Sivaraman**
	Ms. Sushama Bhatt
	Mr. Mahesh Kumar Gupta #
	Mr. Varun Kathuria##

* Mr. Joginder Kumar Baweja, Independent Director ceased w.e.f. 5th February, 2024.
** Mr. Gopalkrishnan Sivaraman, Independent Director ceased w.e.f. 16th April, 2024.
#Mr. Mahesh Kumar Gupta (01821446) is appointed as Independent Director w.e.f. 28th August, 2023.
##Mr. Varun Kathuria (00027987) is appointed as Independent Director w.e.f. 28th August, 2023.

The Category of Directors on the Board of the Company is as under:

Name of the Director	Category	No. of other Directorships@	$ #No. of Board Committee in which Director is	
			Member	Chairman
Mr. Raj Kumar Sekhani	Chairman	3	2	--
Mr. Harsh Vardhan Bassi	Managing Director	3	3	--
Mr. Joginder Kumar Baweja*	Independent Non-Executive Director	--	--	--
Mr. Gopalkrishnan Sivaraman**	Independent Non-Executive Director	--	--	--
Mr. Saurabh Maheshwari	Executive Director	--	--	--
Ms. Sushama Sunil Bhatt	Independent Non-Executive Director	--	3	2
Mr. Mahesh Kumar Gupta #	Independent Non-Executive Director	--	2	1
Mr. Varun Kathuria##	Independent Non-Executive Director	--	2	1

* Mr. Joginder Kumar Baweja, Independent Director ceased w.e.f. 5th February, 2024.
** Mr. Gopalkrishnan Sivaraman, Independent Director ceased w.e.f. 16th April, 2024.
#Mr. Mahesh Kumar Gupta (01821446) is appointed as Independent Director w.e.f. 28th August, 2023.
##Mr. Varun Kathuria (00027987) is appointed as Independent Director w.e.f. 28th August, 2023.
$There has been reconstitution of all the committees w.e.f. 10th November, 2023.

@ Does not include Directorships in Private Companies.
# Committee includes Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

None of the Directors of the Company holds membership of more than 10 Board Committees or Chairmanships of more than 5 Board Committees.

The Company has familiarization program for Independent Directors of the Company with regard to their role, rights, responsibilities in the Company, nature of industry in which the Company operates, the business model of the Company. None of the Non-Executive Directors during the year held any shares or convertible instruments. None of the Directors had any inter-se relationships. The details of familiarization programmes imparted to independent is available on website of the Company at https://www.pelhakoba.com/wp-content/uploads/2023/02/Details-of-Familiarization-programme-to-Independent-Directors.pdf.

Terms of appointment of Independent Directors is available on website of the Company at https://www.pelhakoba.com/wp-content/uploads/2023/07/Terms-of-appointment-of-independent-directors.pdf.

Attendance of Directors at Board Meetings and at the last Annual General Meeting

The Board of the Company met Six times during the year ended 31st March, 2024 on the following dates:

25-05-2023, 10-08-2023, 18-08-2023, 28-08-2023, 10-11-2023 and 02-02-2024

The Board discussed the operating plans, performance of various units and various other information's from time to time.

Name of the Director	Board Meetings held during the tenure of the Director	Board Meeting Attended	Attendance at the last AGM held on 29th September, 2023
Mr. Raj Kumar Sekhani	6	6	Present
Mr. Harsh Vardhan Bassi	6	6	Present
Mr. Joginder Kumar Baweja*	6	6	Present

Name of the Director	Board Meetings held during the tenure of the Director	Board Meeting Attended	Attendance at the last AGM held on 29th September, 2023
Mr. Gopalkrishnan Sivaraman**	6	6	Present
Ms. Sushama Sunil Bhatt	6	6	Present
Mr. Saurabh Maheshwari	6	6	Present
Mr. Mahesh Kumar Gupta#	3	3	N.A.
Mr. Varun Kathuria##	3	3	N.A.

* Mr. Joginder Kumar Baweja, Independent Director ceased w.e.f. 5th February, 2024.
** Mr. Gopalkrishnan Sivaraman, Independent Director ceased w.e.f. 16th April, 2024.
#Mr. Mahesh Kumar Gupta (01821446) is appointed as Independent Director w.e.f. 28th August, 2023.
##Mr. Varun Kathuria (00027987) is appointed as Independent Director w.e.f. 28th August, 2023.

Directors seeking reappointment:

A brief resume of Director seeking re-appointment at the Annual General Meeting, the nature of their expertise in specific functional areas, and the names of the Companies in which he hold directorship and the Committees of the Board where-in he is member, are furnished hereunder:

Mr. Saurabh Maheshwari

Mr. Saurabh Maheshwari (DIN: 00283903) is a Chartered Accountant by qualification. He has over 24 years of experience in the field of Textiles sector mainly in the field of manufacturing as well as processing of various yarns. He is instrumental in setting up of Greenfield speciality polyester yarn project at Kala Amb, Himachal Pradesh from selection of land, manufacturing technology, team building, distribution channel particularly for international business and selection of appropriate Product mix. His rich and varied experience in the industry and on account of the way he has led the yarn project over the last 17 years. He was appointed as an Non Independent Director of the Company being liable to retire by rotation and being eligible for re-appointment, is placed before the members at the forthcoming Annual General Meeting for their approval.

3. Core skills / expertise / competencies available with the Board

The core skills / expertise / competencies required in the Board in the context of the Company's Businesses and sectors functioning effectively as identified by the Board of Directors of the Company are tabulated below:

Core skills / expertise / competencies	Name of the Directors							
	Mr. Raj Kumar Sekhani	Mr. Harsh Vardhan Bassi	Mr. Joginder Kumar Baweja*	Mr. Gopalkrishnan Sivaraman**	Ms. Sushama Sunil Bhatt	Mr. Saurabh Maheshwari	Mr. Mahesh Kumar Gupta#	Mr. Varun Kathuria##
Leadership	•	•	•	•	•	•	•	•
Strategic Planning	•	•	•	•	•	•	•	•
Industry Knowledge and Experience	•	•	•	•	•	•	•	•
Technology	•	•		•	•	•		•
Financial Control	•	•	•	•		•	•	•
Human Resources	•	•	•	•	•	•	•	
Business strategy, Sales and Marketing	•	•	•			•	•	•
Corporate Governance	•	•	•	•	•	•	•	•

* Mr. Joginder Kumar Baweja, Independent Director ceased w.e.f. 5th February, 2024.
** Mr. Gopalkrishnan Sivaraman, Independent Director ceased w.e.f. 16th April, 2024.
#Mr. Mahesh Kumar Gupta (01821446) is appointed as Independent Director w.e.f. 28th August, 2023.
##Mr. Varun Kathuria (00027987) is appointed as Independent Director w.e.f. 28th August, 2023.

The Board members hereby confirm that the independent Directors fulfill the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the management.

4. Performance Evaluation

The criteria for performance evaluation cover the areas relevant to the functioning as Promoter Directors and Independent Directors such as participation, preparation, conduct and effectiveness. The evaluation of Promoter Directors and Independent Directors was done by the Board as a whole by Independent Directors and Promoters Directors every year. The evaluation of Independent Directors includes performance and fulfillment of the independence criteria as specified in LODR and their independence from the management. All the Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

5. Audit Committee

The following terms of reference stipulated by the Board of Directors to the Audit Committee cover all the matters specified under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) as well as the provisions of Section 177 of the Companies Act, 2013:

1. To oversee the financial reporting process.
2. To oversee the disclosures of financial information.
3. To recommend appointment / removal of statutory auditors and fixation of their fees.
4. To review the quarterly/half yearly financial results and annual financial statements with the management, internal auditor and the statutory auditor.
5. To consider the reports of the internal auditors and to discuss their findings with the management and to suggest corrective actions wherever necessary.
6. To Review with the management, statutory auditors and the internal auditors the nature and scope of audits and the adequacy of internal control systems.
7. To Review major accounting policies and compliance with accounting standards and listing agreement entered into with the stock exchange and other legal requirements concerning financial statements.
8. To Look into the reasons for any substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors, if any.
9. To Review related party transactions of material nature, with promoters or the management and their relatives that may have potential conflict with the interests of the Company at large.
10. To investigate any matter covered under Section 177 of the Companies Act, 2013.
11. To Review the financial and risk management policies.

During the year ended 31st March, 2024, Four Meetings of the Audit Committee were held on 25-05-2023, 10-08-2023, 10-11-2023 and 02-02-2024.

The Composition of Audit Committee and the details of attendance of its meetings are as under:

Name of the Director	Designation	Status	Committee Meetings held during the tenure of Director on the Committee	Committee Meetings Attended
Mr. Varun Kathuria##	Chairman	Non-Executive Independent Director	1	1
Mr. Mahesh Kumar Gupta#	Member	Non-Executive Independent Director	1	1
Mr. Joginder Kumar Baweja*	Chairman	Non-Executive Independent Director	3	3
Mr. Harsh Vardhan Bassi	Member	Executive Director	4	4
Mr. Gopalkrishnan Sivaraman**	Member	Non-Executive Independent Director	3	3

* Mr. Joginder Kumar Baweja, Independent Director ceased w.e.f. 5th February, 2024.
** Mr. Gopalkrishnan Sivaraman, Independent Director ceased w.e.f. 16th April, 2024.
#Mr. Mahesh Kumar Gupta (01821446) is appointed as Independent Director w.e.f. 28th August, 2023.
##Mr. Varun Kathuria (00027987) is appointed as Independent Director w.e.f. 28th August, 2023.

There has been reconstitution of the committee w.e.f. 10th November, 2023.

6. Nomination and Remuneration Committee

The powers, role and terms of Nomination and Remuneration Committee covers the areas as contained in LODR and Section 178 of the Companies Act, 2013. The Committee comprises of three Non-Executive Independent Directors. The terms of reference of the Committee is to deal with the matters related to remuneration by way of salary, perquisites, benefits, etc. for the Executive and Whole-time Directors of the Company.

During the year ended 31st March, 2024 two meetings of the Committee was held on 28-08-2023 and 02-02-2024.

The Composition of Nomination and Remuneration committee and the details of attendance of its meetings are as under:

Name of the Director	Designation	Status	Committee Meetings held during the tenure of Director on the Committee	Committee Meetings Attended
Mr. Joginder Kumar Baweja*	Chairman	Non-Executive Independent Director	1	1
Mr. Gopalkrishnan Sivaraman**	Member	Non-Executive Independent Director	1	1
Ms. Sushama Sunil Bhatt	Member	Non-Executive Independent Director	2	2
Mr. Mahesh Kumar Gupta#	Chairman	Non-Executive Independent Director	1	1
Mr. Varun Kathuria##	Member	Non-Executive Independent Director	1	1

* Mr. Joginder Kumar Baweja, Independent Director ceased w.e.f. 5th February, 2024.
** Mr. Gopalkrishnan Sivaraman, Independent Director ceased w.e.f. 16th April, 2024.
#Mr. Mahesh Kumar Gupta (01821446) is appointed as Independent Director w.e.f. 28th August, 2023.
##Mr. Varun Kathuria (00027987) is appointed as Independent Director w.e.f. 28th August, 2023.

There has been reconstitution of the committee w.e.f. 10th November, 2023.

The remuneration of the employees consists of fixed pay i.e. Basic pay, Allowances, perquisites etc., which is related to Industry pattern, qualification, experience and responsibilities handled by the employees, etc. The objectives of the remuneration policy are to motivate employees and recognize their contribution, reward merit and to attract and retain talent in the organization.

The Committee is authorised, inter alia to deal with the matters related to remuneration by way of salary, perquisites, benefits etc. for the Executive Directors of the Company and set guidelines for salary, performance pay and perquisites to other senior employees.

Terms of Reference of the Nomination & Remuneration Committee, inter alia, include the following:

- To recommend and review the remuneration packages of the Managing Director and Whole Time Directors including pension rights and compensation payment.
- To recommend and review on the sitting fees to be paid to the Non-Executive Directors and Independent Directors for attending the Board Meetings and Committee Meetings.
- To help in determining the appropriate size, diversity and composition of the Board.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To assist in developing a succession plan for the Board.
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

Performance Evaluation of Board

In compliance with the provisions of the Act and SEBI Listing Regulations, the Company has undertaken the performance evaluation process for the Board of Directors, its Committees and that of individual Directors. The performance evaluation was undertaken as per the Guidance Note on Board evaluation issued by Securities and Exchange Board of India and framework provided by Nomination and Remuneration/Compensation Committee, setting out parameters for conducting performance evaluation of the Board, its Committees and that of Individual Directors.

7. Remuneration of Directors

(a) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity;

There is no pecuniary relationship or transactions of the non-executive directors with the Company.

(b) Criteria of making payments to non-executive directors;

Only sitting fees are paid to non-executive directors.

(c) Disclosures with respect to remuneration: in addition to disclosures required under the Companies Act, 2013, are as below:

(₹in lakhs)

Sr. No.	Name of Director	Sitting fees	Salary	Bonus	Performance Linked Incentives	Provident Fund	Pension	Stock option (in nos.)
1.	Mr. Raj Kumar Sekhani	--	84.00	--	--	--	--	--
2.	Mr. Harsh Vardhan Bassi	--	36.00	--	--	--	--	--
3.	Mr. Joginder Baweja*	1.00	--	--	--	--	--	--
4.	Mr. Gopalkrishnan Sivaraman**	1.00	--	--	--	--	--	--
5.	Ms. Sushama Sunil Bhatt	0.80	--	--	--	--	--	--
6.	Mr. Saurabh Maheshwari	--	46.20	1.80	--	--	--	--
7.	Mr. Mahesh Kumar Gupta#	0.63	--	--	--	--	--	--
8.	Mr. Varun Kathuria##	0.45	--	--	--	--	--	--
	Total	**3.88**	**166.20**	**1.80**	**--**	**--**	**--**	**--**

* Mr. Joginder Kumar Baweja, Independent Director ceased w.e.f. 5th February, 2024.
** Mr. Gopalkrishnan Sivaraman, Independent Director ceased w.e.f. 16th April, 2024.
#Mr. Mahesh Kumar Gupta (01821446) is appointed as Independent Director w.e.f. 28th August, 2023.
##Mr. Varun Kathuria (00027987) is appointed as Independent Director w.e.f. 28th August, 2023.

8. Stakeholders' Relationship Committee

The functions of Stakeholder's Relationship Committee is to specifically look into various aspects of interest of shareholders including redressal of investor's complaints related to share transfers, non-receipt of Annual Reports, dividend payment, issue of duplicate share certificates, transfer and transmission of shares and other allied transactions. Its scope also includes delegating the powers to the executives of Company / Share Transfer Agents to process share transfer, etc.

During the year ended 31st March, 2024 four Meetings of the Stakeholder's Relationship Committee were held on 25-05-2023, 10-08-2023, 10-11-2023 and 02-02-2024.

The Composition of Stakeholders' Relationship committee and the details of attendance of its meetings are as under:

Name of the Director	Designation	Status	Committee Meetings held during the tenure of Director on the Committee	Committee Meetings Attended
Mr. Gopalkrishnan Sivaraman**	Chairman	Non-Executive Independent Director	3	3
Mr. Raj Kumar Sekhani	Member	Executive Director	4	4
Mr. Harsh Vardhan Bassi	Member	Executive Director	4	4
Mr. Joginder Kumar* Baweja*	Member	Non-Executive Independent Director	3	3
Ms. Sushama Sunil Bhatt	Chairperson	Non-Executive Independent Director	1	1

* Mr. Joginder Kumar Baweja, Independent Director ceased w.e.f. 5th February, 2024.
** Mr. Gopalkrishnan Sivaraman, Independent Director ceased w.e.f. 16th April, 2024.

There has been reconstitution of the committee w.e.f. 10th November, 2023.

Ms. Ami Thakkar has been designated as Compliance Officer in terms of SEBI (LODR) Regulations, 2015.

The details of the complaints and other correspondence received and attended to during the year ended on 31st March, 2024 are given hereunder:

Nature of Complaints	Received	Attended to	Pending
Non Receipt of Share Certificate(s) Transfer	1	1	0
Non Receipt of Rejected DRF	0	0	0
Non Receipt of Exchange Certificate(s)	0	0	0
Non Receipt of Bonus Certificate(s)	0	0	0
Total	**1**	**1**	**0**

9. Corporate Social Responsibility Committee

The Company has constituted a CSR Committee as required under Section 135 of the Companies Act, 2013. Your Company has developed a CSR Policy which is available on the Website of the Company at https://www.pelhakoba.com/wp-content/uploads/2022/11/Corporate-Social-Responsibility-policy.pdf

During the year under review, One Corporate Social Responsibility Committee meeting was held on 02-02-2024.

The composition of Corporate Social Responsibility Committees as under:

Name of the Director	Designation	Status	Committee Meetings held during the tenure of Director on the Committee	Committee Meetings Attended
Ms. Sushama Sunil Bhatt	Chairperson	Non-Executive Independent Director	1	1
Mr. Raj Kumar Sekhani	Member	Executive Director	1	1
Mr. Harsh Vardhan Bassi	Member	Executive Director	1	1
Mr. Joginder Kumar Baweja*	Member	Non-Executive Independent Director	0	0

*Mr. Joginder Kumar Baweja, ceased to be an Independent Director w.e.f. 5th February, 2024.

There has been Re-constitution of Committee w.e.f .10th November, 2024.

Terms of Reference

The Terms of Reference of the CSR Committee are as under:

- Formulate and recommend to the Board, a CSR Policy.
- Recommend the amount of expenditure to be incurred on CSR activities.
- Monitor CSR policy from time to time.
- Institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company.

10. General Body Meetings

The venue and time of the Annual General Meetings held during the last three years are as follows:

Year	Date	Time	Venue	No. of Special Resolutions passed
2020-2021	19th July, 2021	10.00 A.M	Through Video conferencing(VC) or Other Audio Video Mode(OAVM).	0
2021-2022	12th July, 2022	10.00 A.M	Through Video conferencing(VC) or Other Audio Video Mode(OAVM).	0
2022-2023	29th September, 2023	10.30 A.M	Through Video conferencing(VC) or Other Audio Video Mode(OAVM).	2*

*For AGM held on 29th September, 2023 the following Special Resolutions were passed:

Sr. No.	Particulars
1.	Appointment of Mr. Mahesh Kumar Gupta (DIN: 01821446), as an Independent Director of the Company.
2.	Appointment of Mr. Varun Kathuria (DIN: 00027987), as an Independent Director of the Company.

The venue and time of the Extra Ordinary General Meeting(EOGM) held during the year are as follows:

Year	Date	Time	Venue	No. of Special Resolutions passed
2023-2024	12th September, 2023	10.30 A.M	Through Video conferencing(VC) or Other Audio Video Mode(OAVM).	1*

11. Means of Communication

The Unaudited Quarterly, Half Yearly and Annual Financial Results are sent to the Stock Exchanges where the shares of the Company are listed. The Results are normally published in 'Business Standard' & 'Mumbai Lakshdeep'. The results are displayed on the website of the Company at https://www.pelhakoba.com/reg-46-2-62-1-of-lodr/#

Analysts/Institutional Investors Presentation

Presentations are also made to international and domestic institutional investors and analysts. These presentations and other disclosures which are required to be disseminated on the Company's website under the Listing Regulations and have been uploaded on the website of the Company at https://www.pelhakoba.com/reg-46-2-62-1-of-lodr/#

General Shareholder Information

i) AGM

Date and Time : Tuesday, 6th August, 2024 at 10.30 A.M through Video Conferencing or Other Audio Visual means.

ii) Financial Calendar 2024-2025 (tentative) Financial year ends on 31st March every year

Quarter ending June 30, 2024	:	By Second Week of August, 2024
Half year ending September 30, 2024	:	By Second Week of November, 2024
Quarter ending December 31, 2024	:	By Second Week of February, 2025
Year ending March 31, 2025	:	By Last Week of May, 2025
Annual General Meeting (2024-2025)		By end of September, 2025

iii) Date of Book Closure : Wednesday, 31st July, 2024 to Tuesday, 6th August, 2024 (both days inclusive)

iv) Dividend Payment Date : No Dividend has been recommended by the Board of Directors of the Company for the year.

v) Listing on Stock Exchanges & Stock Code :

National Stock Exchange of India Limited
(Code: PIONEEREMB)
Address: Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (East),
Mumbai: 400051.

BSE Limited (Code: 514300)
Address: Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai: 400001.

The Calcutta Stock Exchange Limited
(Code: 26033)
7 Lyons Range Kolkata,
Kolkata: 700001.

vi) Listing Fees : Annual Listing Fees for the Financial Year 2024-2025 has been paid to the above Stock Exchanges.

vii) Demat ISIN No. : INE156C01018

viii) Stock Market Data

The month-wise movement (High & Low) of the shares of the Company at the Bombay Stock Exchange and National Stock Exchange during each month for the year ended 31st March, 2024 is as under:

Month	BSE			NSE		
	High Price (₹)	Low Price (₹)	Volume (in Lakhs)	High Price (₹)	Low Price (₹)	Volume (in Lakhs)
April, 2023	37.40	28.77	10.85	35.20	28.60	204.57
May, 2023	40.00	34.40	19.07	38.70	34.50	300.92
June, 2023	41.50	36.80	28.74	41.95	36.30	230.99
July, 2023	42.60	36.65	35.93	42.65	37.10	337.13
August, 2023	58.95	39.10	180.49	59.00	40.40	2,517.24
September, 2023	61.54	48.15	47.32	54.00	48.15	538.9

Month	BSE			NSE		
	High Price (₹)	Low Price (₹)	Volume (in Lakhs)	High Price (₹)	Low Price (₹)	Volume (in Lakhs)
October, 2023	64.80	47.45	208.34	64.70	47.60	2,320.16
November, 2023	56.56	48.75	40.65	56.05	49.60	182.03
December, 2023	54.74	47.01	70.00	55.30	47.55	230.13
January, 2024	67.00	48.50	250.96	67.00	48.05	1,052.74
February, 2024	57.00	47.77	48.32	56.95	48.00	292.72
March, 2024	50.67	38.00	37.30	49.95	37.05	404.62

Please note that Revocation application filed with Calcutta Stock Exchange Limited (CSE) has been approved on 3rd May, 2024, therefore, Stock market data of CSE is not available.

ix) Performance in comparison to Broad-based indices such at BSE Sensex, NSE NIFTY : As against a rise of 24.85% in BSE Sensex during the year, the price of equity shares of the Company increased by 37.74%.

As against rise of 28.61% in NSE NIFTY 50 during the year, the price of equity shares of the Company increased by 34.89%.

x) Registrar & Share Transfer Agent : Link Intime India Pvt. Limited.,
C 101, 247 Park,
L. B. S. Marg, Vikhroli (West),
Mumbai - 400 083.
Telephone number: 022-49186000
Fax: 022-49186060
Email: rnt.helpdesk@linkintime.co.in

xi) Share Transfer System

The share transfers, received are processed and completed within a period of 15 to 20 days from the date of receipt, subject to the documents being valid and complete in all respects.

xii) Distribution of Shareholding as on 31st March, 2024

Slab of No. of Shareholding			No. of Shareholders	% to No. of Shareholders	Amount	% to paid-up capital
Upto	-	5000	21,977	90.47	1,43,87,340	4.88
5,001	-	10000	1,026	4.23	84,77,990	2.88
10,001	-	20000	533	2.19	83,07,980	2.82
20,001	-	30000	197	0.81	51,03,780	1.73
30,001	-	40000	99	0.41	36,00,110	1.22
40,001	-	50000	99	0.41	47,02,580	1.59
50,001	-	100000	163	0.67	1,21,63,240	4.13
> 1,00,001			197	0.81	23,80,11,400	80.75
Total			**24,291**	**100.00**	**29,47,54,420**	**100.00**

xiii) Categories of Shareholding Pattern as on 31st March, 2024

Category	No. of Share holders	% of Share holders	No. of Shares held	% of Share holding
Promoters	4	0.02	87,38,325	29.65
Mutual Funds & UTI	2	0.01	900	0.00
Banks/Financial Institutions/Ins/ Govt.	5	0.02	26,28,982	8.92
Foreign Portfolio Investors Category I	1	0.00	25,00,000	8.48
Other Bodies Corporates	146	0.61	16,68,802	5.66
Individuals	23,028	95.91	1,23,82,190	42.01
NRIs/OCBs	484	2.01	4,93,307	1.67
Investor Education And Protection Fund (IEPF)	1	0.00	3,750	0.01
Body Corporate - Ltd Liability Partnership (LLP)	5	0.03	1,31,864	0.45
	1	0.00	6	0.00
Others	333	1.39	9,27,316	3.15
Total	**24,010**	**100.00**	**2,94,75,442**	**100.00**

*Due to clubbing of Folios of same person holding shares in more than one Folio, there is Difference in No. of shareholders in Distributions of Shareholding as on 31st March, 2024 and Categories of Shareholding Pattern as on 31st March, 2024.

xiv) Dematerializations of Shares

The Company's shares are traded compulsorily in dematerialized form. As on 31st March, 2024 the details of the shares of the Company held in physical and demat form are given below:

	No. of Shares	% to the Capital
Shares held in Physical Form	3,32,233	1.13
Shares held in Demat Form	2,91,43,209	98.87
Total	**2,94,75,442**	**100.00**

xv) Outstanding GDRs / Warrants and Convertible Instruments

There is no Outstanding GDRs / Warrants and Convertible Instruments as at 31st March, 2024.

xvi) Commodity price risk or Foreign exchange risk and hedging activities

The Company is not involved in any hedging activities.

xvii) Plant Locations

i) Sarigam, Gujarat
ii) Naroli, Dadra & Nagar Haveli
iii) Kala-amb, Himachal Pradesh
iv) Degaon, Dhule

xviii) Address for Correspondence

Shareholder correspondence should be addressed to the Company's Registrar and Transfer Agents:
Link Intime India Pvt. Ltd
C 101, 247 Park,
L. B. S. Marg, Vikhroli (West),
Mumbai - 400 083.
Tel No.: (022) 49186000, Fax No.: (022) 49186060
Email: rnt.helpdesk@linkintime.co.in

Investors may also write or contact Ms. Ami Thakkar, Company Secretary and Compliance officer at the Corporate Office of the Company at:
Unit No 21 to 25, 2nd Floor Orient House,
3A Udyog Nagar, Off S V Road,
Goregaon (West),Mumbai – 400 062.
Tel.: (022)42232323 Fax: (022) 42232313
Email: mumbai@pelhakoba.com

xix) Credit Rating obtained by the Company

There is no change in the Company's credit rating after 20th July, 2023.

The same had been uploaded on the website of the Company at https://www.pelhakoba.com/wp-content/uploads/2023/07/Disclosure-for-credit-rating-20th-July-2023.pdf

xx) Utilisation of funds raised through preferential allotment:

₹121,905,000/- raised through preferential allotment made to M/s. Tano Investment Opportunities Fund and Mr. Raj Kumar Sekhani have been used for Company's expansion and Working Capital during the year.

xxi) Disclosure in relation to recommendation made by any Committee which was not accepted by the Board:

During the year under review, there were no such recommendations made by any Committee of the Board that were mandatorily required and not accepted by the Board.

xxii) Total Fees for all Services paid by the Listed Entity and Its Subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the Network Firm/Network Entity of which the Statutory Auditor is a part.

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to M/s. M B A H & Co, Chartered Accountants, Statutory Auditors of the Company and all the entities in the network firm/network entity of which Statutory Auditor is a part is as under:

Company Name	Relationship	Name of Auditor	(₹ In lakhs)
Pioneer Embroideries Limited	Parent's Company	M/s. M B A H & Co, (ICAI Reg. No.121426W), Chartered Accountants	11.50

12. Disclosures

There were no transactions of material nature with promoters, the Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the Annual Report. The Related Party Transactions policy as approved by the Board is uploaded on the website of the Company at https://www.pelhakoba.com/wp-content/uploads/2022/08/Policy-on-materiality-of-Related-Party-Transaction.pdf.

Transactions with Related Parties, as per requirements of Accounting Standard 18, are disclosed in notes to accounts annexed to the financial statements.

There were no instances of non-compliance by the Company nor have any penalties, strictures been imposed by the Stock Exchanges or SEBI or any other Statutory Authority for the last three years on any matter related to capital markets except in F.Y. 2021-22 which is as below:

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	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/CFD/CMD/CIR/P/2020/12 dated January 22,2020	Non-compliance under regulation 17(1) of SEBI (LODR) Regulations pertaining to Board Composition	₹2,59,600/-	The Company has paid fine under protest and filed waiver application. Decision awaited from BSE.	The Company has paid fine under protest and filed waiver application. Decision awaited from BSE.	
2	Regulation 17(1) and 17(1A) of SEBI (LODR) Regulations pertaining to Board Composition and appointment of non-executive director who attained the age of seventy five years	Compliance under regulation 17(1) and 17(1A) of SEBI (LODR) Regulations pertaining to Board Composition and appointment of non-executive director who attained the age of seventy five years	Non-compliance under regulation 17(1) and 17(1A) of SEBI (LODR) Regulations pertaining to Board Composition and appointment of non-executive director who attained the age of seventy five years	BSE	Imposition of Fine under SEBI SOP circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22,2020	Non-compliance under regulation 17(1) and 17(1A) of SEBI (LODR) Regulations pertaining to Board Composition and appointment of non-executive director who attained the age of seventy five years	₹3,33,940/-	The Company has paid fine under protest to the BSE Limited (BSE). Waiver application for regulation 17(1A) rejected against which Personal hearing awaited from BSE.	The Company has paid fine under protest to the BSE Limited (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	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/CFD/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	₹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.	

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
4	Regulation 17(1) of SEBI (LODR) Regulations	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/CFD/CMD/CIR/P/2020/12 dated January 22,2020	Non-compliance under regulation 17(1) of SEBI (LODR) Regulations pertaining to Board Composition	₹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 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 25.07.2024.	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 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 25.07.2024.	
5	Regulation 17(1A) of SEBI (LODR) Regulations	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/CFD/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	₹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 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.	
6	Regulation 17(1A) of SEBI (LODR) Regulations	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/CFD/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	₹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.	

13. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHOBITION AND REDRESSAL) ACT, 2013

Your Company has zero tolerance towards any kind of harassment, including sexual harassment, or discrimination. Your Company has constituted an Internal Complaints Committee (ICC) to investigate and resolve sexual harassment complaints. Employees are encouraged to speak up and report any such incidences to the ICC. Your Company has also implemented a Policy on Prevention of Sexual Harassment which is reviewed by the ICC at regular intervals. Any complaint made to the ICC is treated fairly and confidentially. The Sexual Harassment policy as approved by the Board is uploaded on the website of the Company at https://www.pelhakoba.com/wp-content/uploads/2023/06/SEXUAL-HARASSMENT.pdf.

The details as required in respect of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is provided below:

a) number of complaints filed during the financial year: NIL

b) number of complaints disposed of during the financial year: NIL

c) number of complaints pending as on the end of the financial year: NIL

14. DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF 'LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT

No Loans and Advance in the nature of Loans to Firms/ Companies are given in which Directors are interested other than to subsidiaries which forms part of the notes to accounts.

15. CERTIFICATE FROM PRACTISING COMPANY SECRETARY

The Company has obtained a certificate from M/s. Sanjay Dholakia & Associates, Practising Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this Report.

16. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report forms part of the Annual Report and includes discussion on various matters specified under Schedule V of SEBI Listing Regulations.

17. STATUTORY COMPLIANCE, PENALTIES AND STRICTURES

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI, MCA or other statutory authorities relating to the above.

18. DISCRETIONARY REQUIREMENTS UNDER REGULATION 27 OF LODR

The status of compliance with discretionary recommendations of the Regulation 27 of the LODR with Stock Exchanges is provided below:

The Board: Chairman's office is occupied by Executive Chairman.

Shareholders' Rights: As the quarterly and half yearly financial performance along with significant events are published in the news papers and are also posted on the Company's website, the same are not being sent to the shareholders.

Modified Opinion in Auditors Report: The Company's financial statement for the year 2023-2024 does not contain any modified audit opinion.

Separate posts of Chairperson and Managing Director or CEO: The Chairman of the Board is an Executive Director and his position is separate from that of the Managing Director or CEO.

Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

19. WHISTLE BLOWER POLICY

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimisation of employees. Whistle Blower policy as approved by the Board is uploaded on the website of the Company at https://www.pelhakoba.com/wp-content/uploads/2022/08/Whistle-Blower.pdf.

20. Prevention of Insider Trading Code

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, employees and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed from starting of the quarter till 48 hours after the declaration of results and during occurrence of any material events as per the code. The Company has appointed Ms. Ami Thakkar as Compliance Officer, who is responsible to set procedures and implementation of the code for trading in Company's securities. During the year under review, there has been due compliance with the said code.

21. CODE OF CONDUCT

The Board has laid down a code of conduct for Business and Ethics for all the Board Members and all the employees of the management grade of the Company. The code of conduct is also available on the Company's website. All the Board members and senior management personnel have confirmed compliance with the code. A declaration to that effect signed by Managing Director and CFO is attached as annexure to Corporate Governance Report as Annexure 1 and forms part of the Annual Report of the Company.

22. SCORES

There are no pending complaints under SCORES.

23. CEO/CFO CERTIFICATION

The Managing Director and CFO of the Company have certified to the Board of Directors inter-alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the SEBI (LODR) Regulations, 2015 for the year ended 31st March, 2024.
The "Management Discussion and Analysis Report" forms part of this Annual Report.

24. SUBSIDIARY COMPANIES

There is no material Indian Subsidiary Company requiring appointment of Independent Director of the Company on the Board of Directors of the subsidiary Company. The requirements of the Regulation 24 of LODR with regard to subsidiary companies have been complied with. The Policy for determining material subsidiaries is available on website of the Company at: https://www.pelhakoba.com/wp-content/uploads/2022/08/Policy-for-determining-material-subsidiary.pdf.

25. STATUTORY AND REGULATORY DISCLOSURES

The Company has complied with all mandatory requirements specified in regulation 17 to 27 and regulation 46 of SEBI (Listing Obligations and Disclosure Requirements), 2015.

The Company has complied with the corporate governance provisions as specified in chapter IV of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Annexure 1 to Corporate Governance

DECLARATION REGARDING CODE OF CONDUCT

We, hereby, declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company for the year ended 31st March, 2024.

For Pioneer Embroideries Limited

For Pioneer Embroideries Limited

Harsh Vardhan Bassi
Managing Director
DIN:00102941

Deepak Sipani
Chief Financial Office

Place: Mumbai
Date: 27th May, 2024

MANAGING DIRECTORS/CHIEF FINANCIAL OFFICER CERTIFICATION

To
The Board of Directors
Pioneer Embroideries Limited
Mumbai.

We have reviewed the financial statements and the cash flow statement of Pioneer Embroideries Limited for the year ended 31st March, 2024 and that to the best of our knowledge and belief, we state that:

(a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.

(b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

(c) we accept responsibility for establishing and maintaining internal controls for financial reporting and evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.

(d) we have indicated to the Auditors and the Audit Committee:

(i) significant changes, if any, in the internal control over financial reporting during the year.

(ii) significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Pioneer Embroideries Limited

For Pioneer Embroideries Limited

Harsh Vardhan Bassi
Managing Director
DIN:00102941

DIN:00102941

Deepak Sipani
Chief Financial Officer

Place : Mumbai
Date: : 27th May, 2024

AUDITORS CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members of Pioneer Embroideries Limited
Unit 101B, 1st Floor, Abhishek Premises,
Plot No.C5-6 Dalia Industrial Estate,
Off. New Link Road, Andheri (West),
Mumbai- 400058.

We have examined the compliance of conditions of corporate governance by Pioneer Embroideries Limited, ('the Company'), for the year ended on 31st March, 2024, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with stock exchanges.

We, further, state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
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For M B A H & CO.
Chartered Accountants
(Firm's Registration Number:121426W)

Mahesh Bhageria
Partner
Membership Number:034499
UDIN: 24034499BKGXWC1834

Place: Mumbai
Date: 27th May, 2024

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of PIONEER EMBROIDERIES LIMITED having CIN L17291MH1991PLC063752 and having registered office at Unit 101B, 1st Floor, Abhishek Premises, Plot No.C5-6 Dalia Ind. Estate, Off. New Link Road, Andheri (W) Mumbai 400058 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Ensuring the eligibility for the appointment /continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency 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
CP No.: 1798
Peer Reviewed Firm No. 2036/2022

Date: 27th May, 2024
Place: Mumbai

UDIN: F002655F000453204

INDEPENDENT AUDITOR'S REPORT

To,

The Members of Pioneer Embroideries Limited,

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Pioneer Embroideries Limited** (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit & Loss(including other comprehensive income), the statement of changes in equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information(hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Company as at 31st March, 2024, and its profit, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
The Company has expanded its manufacturing facilities of embroidery and yarn products at two locations. Interest cost of ₹133.35 lakh and ₹184.86 lakh has been capitalized to the Building and Plant &Machinery during the year.	We performed an understanding and evaluation of system of internal control over the capitalization of borrowing cost, with reference to identification and testing of key controls. As part of our audit, we checked: • The actual expenditure incurred. • The interest cost allocable to the projects till the machinery is put into use.

Information other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate

accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the

information and explanations given to us, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

3. As required by Section 143(3) of the Act, based on our audit we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The standalone financial statements dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. the Company has disclosed the impact, of pending litigations on its financial position in its financial statements;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. there is no amount that is required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v. No dividend was proposed, declared and paid by the Company during the year.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For **M B A H & CO**
Chartered Accountants
(Firm Registration No. 121426W)

UDIN:24034499BKGXVY3583
Place: Mumbai
Date: 27th May 2024

Mahesh Bhageria
Partner
Membership No. 034499

Annexure "A" to the Independent Auditors' Report

Referred to in Paragraph 1 under Report on Other Legal and Regulatory Requirements, of the Independent Auditors' Report of even date to the members of Pioneer Embroideries Limited on the standalone financial statements for the year ended 31st March, 2024.

In our opinion and according to the information and explanations provided to us:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets;

a) (A) The Company is generally maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

(B) The Company is maintaining proper records showing full particulars of intangible assets.

b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management in accordance with the phased verification program, which, in our opinion, is reasonable having regards to the size of the Company and the nature of its fixed assets. No material discrepancies have been noticed on such verification.

c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company.

d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

e) Neither any proceedings have been initiated nor are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made there under.

ii. a) The physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion the coverage and procedure of such verification as followed by management is appropriate. No discrepancies were noticed on verification between the physical stocks and book records that were 10% or more in the aggregate for each class of inventory.

b) During the year, the Company has been sanctioned working capital limits in excess of ₹.5 crores, in aggregate, from banks on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks are substantially in agreement with the books of account of the Company.

iii. During the year the company has made investments in and granted loans or advances in the nature of loans, secured or unsecured to companies.

a) During the year the company has provided loans or provided advances in the nature of loans, to other Companies, in respect to which;

(A) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances to subsidiaries and associate company is Rs. 102.83 Lakhand Rs. 684.59 Lakh respectively;

(B) No loans or advances and guarantees or security have been given to parties other than subsidiaries and associate company.

b) The investments made and the terms and conditions of the grant of all loans and advances in the nature of loans are not prejudicial to the company's interest except that the loans to subsidiaries are interest free.

c) In respect of loans and advances in the nature of loans given, no repayment schedule has been stipulated and interest has been provided for loans given to associate.

d) No amount is overdue for more than ninety days in respect of principal and interest in absence of predefined repayment schedule.

e) No loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

f) The Company has granted loans or advances in the nature of loans to its subsidiaries and associate company, either repayable on demand or without specifying any terms or period of repayment. The aggregate outstanding amount of such loans is Rs. 684.59Lakh, which is 100 % of the total loans granted.

iv. In respect of loans and investments, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

v. The Company has not accepted any deposits, in terms of directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, this clause is not applicable.

vi. Maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and such accounts and records have been so made and maintained.

vii. a) The Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. There are no undisputed statutory dues which are in arrears, as at 31st March, 2024 for a period of more than six months from the date they became payable.

b) Details of statutory dues, which have not been deposited as on 31st March, 2024 on account of any dispute are given below:

Particulars	Year to which the matter pertains	Forum where matter is pending	Amount (₹ in lakh)
Duty of excise	F.Y. 2001-02	Commissioner Appeal	33.58
Service-tax	F.Y. 2007-08 to 2010-11	Commissioner Appeal	123.85

viii. There are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) The company has not been declared a wilful defaulter by any bank or financial institution or other lender.

c) The term loans were applied for the purpose for which the loans were obtained.

d) The funds raised on short term basis have not been utilised for long term purposes.

e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

x. a) No money has been raised by way of initial public offer or further public offer (including debt instruments) during the year, therefore this clause is not applicable.

b) The Company has made preferential allotment of convertible share warrants, of which some have been converted into equity shares during the year. The provisions of sections 42 and 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which it were raised.

xi. a) Neither any fraud by the company nor any fraud on the Company has been noticed or reported during the year.

b) No report under sub-Section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.

c) The Company has not received any whistle-blower complaints during the year.

xii. The Company is not a Nidhi Company;therefore, this clause is not applicable.

xiii. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

xiv. a) The Company has an internal audit system commensurate with the size and nature of its business.

b) The reports of the Internal Auditors for the internal audits done during the year have been considered.

xv. The Company has not entered into any non-cash transactions with directors or persons connected with them.

xvi. a) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year.

c) The Company is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India.

d) The Group does not have any CIC as part of the Group.

xvii. The Company has not incurred cash losses in the Financial Year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

xx. There is no unspent amount under section 135(5) of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the order are not applicable.

For **M B A H & CO**
Chartered Accountants
(Firm Registration No. 121426W)

Mahesh Bhageria
Partner
Membership No. 034499

UDIN:24034499BKGXVY3583
Place: Mumbai
Date: 27th May, 2024

Annexure "B" to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls over financial reporting of Pioneer Embroideries Limited ("the Company"), as of 31st March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M B A H & CO**
Chartered Accountants
(Firm Registration No. 121426W)

Mahesh Bhageria
Partner
Membership No. 034499

UDIN:24034499BKGXVY3583
Place: Mumbai
Date: 27th May, 2024

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Standalone Balance Sheet
as at March 31, 2024

(₹ in lakhs)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
I ASSETS			
1 Non-Current Assets			
Property, Plant & Equipments	3A	18,143.77	7,114.65
Capital Work- in- Progress	3B	-	7,164.34
Right of Use Assets	3C	409.94	375.44
Other Intangible Assets	3D	19.36	19.64
Financial Assets			
(i) Investments	4	1,985.64	1,985.64
(ii) Other Financial Assets	5	233.63	324.39
Other Non-Current Assets	6	75.54	1,336.46
Total Non-Current Assets		**20,867.88**	**18,320.56**
2 Current Assets			
Inventories	7	6,438.23	5,013.45
Financial Assets			
(i) Investments	8	98.25	133.04
(ii) Trade Receivables	9	2,762.04	2,409.55
(iii) Cash and Cash Equivalents	10	61.81	678.12
(iv) Bank Balances other than Cash and Cash Equivalents	11	93.33	263.59
(v) Loans	12	353.01	252.09
(vi) Other Financial Assets	13	368.98	373.12
Current Tax Assets (Net)	14	114.46	156.07
Other Current Assets	15	1,243.75	886.16
Total Current Assets		**11,533.86**	**10,165.19**
TOTAL ASSETS		**32,401.74**	**28,485.75**
II EQUITY AND LIABILITIES			
1 Equity			
Equity Share Capital	16	2,947.54	2,659.09
Other Equity	17	12,122.34	10,716.66
Total Equity		**15,069.88**	**13,375.75**
2 Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	18	5,345.95	5,706.58
(ii) Lease Liabilities	19	321.50	325.09
Provisions	20	537.05	511.72
Deferred Tax Liabilities (Net)	21	572.92	505.52
Other Non-Current Liabilities	22	1,347.68	1,042.44
Total Non-Current Liabilities		**8,125.10**	**8,091.35**
3 Current Liabilities			
Financial Liabilities			
(i) Borrowings	23	5,114.35	3,429.90
(ii) Lease Liabilities	24	70.10	44.20
(iii) Trade Payables	25		
a) Outstanding dues of Micro Enterprises and Small Enterprises		488.24	633.99
b) Outstanding dues other than Micro Enterprises and Small Enterprises		2,594.42	2,010.97
(iv) Other Financial Liabilities	26	763.97	769.24
Provisions	27	19.27	16.46
Other Current Liabilities	28	156.41	113.89
Total Current Liabilities		**9,206.76**	**7,018.65**
TOTAL EQUITY AND LIABILITIES		**32,401.74**	**28,485.75**
Significant Accounting Policies and other Notes to the Standalone Financial Statements	1-53		

The accompanying Notes are an integral part of the Standalone Financial Statements.

As per our Report of even date
For **M B A H & CO**
Chartered Accountants
(Firm's Registration No.: 121426W)

Mahesh Bhageria
Partner
Membership Number: 034499

Place: Mumbai
Date: 27th May, 2024

For & on behalf of Board of Directors

HARSH VARDHAN BASSI
Managing Director
DIN 00102941

RAJ KUMAR SEKHANI
Chairman
DIN 00102843

DEEPAK SIPANI
Chief Financial Officer

AMI THAKKAR
Company Secretary

Standalone Statement of Profit & Loss
for the Year Ended March 31, 2024

(₹ in lakhs)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
Revenue from Operations	29	33,618.58	29,664.26
Other Income	30	397.52	311.78
Total Income		**34,016.10**	**29,976.04**
Expenses			
Cost of Materials Consumed	31	21,400.87	18,040.55
Purchases of Stock-in-Trade		202.27	195.32
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	32	(1,571.36)	(98.10)
Employee Benefits Expenses	33	3,816.09	3,438.92
Finance Costs	34	926.41	364.14
Depreciation and Amortization Expenses	3	1,253.82	846.11
Other Expenses	35	7,529.56	6,868.18
Total Expenses		**33,557.66**	**29,655.12**
Profit before Exceptional and Extraordinary Items and Tax		**458.44**	**320.92**
Exceptional Items - Income/(Loss) (Net)	36	-	912.19
Profit before Tax		**458.44**	**1,233.11**
Tax Expenses	37		
Current Tax		-	23.88
Income Tax for earlier years		15.60	1.68
Deferred Tax Charge / (Credit)		54.55	337.01
Profit for the year (A)		**388.29**	**870.54**
Other Comprehensive Income			
Items that will not reclassified to Profit or Loss			
Remeasurement of defined benefit plan		46.20	34.56
Income tax impact on above item		(12.85)	(9.61)
Other Comprehensive Income for the year (B)		**33.35**	**24.95**
Total Comprehensive Income for the year (A+B)		**421.64**	**895.49**
Earning per Equity Share of ₹10 each:	52		
(1) Basic (₹)		1.43	3.27
(2) Diluted (₹)		1.39	3.27
Significant Accounting Policies and other Notes to the Standalone Financial Statements	1-53		

The accompanying Notes are an integral part of the Standalone Financial Statements.

As per our Report of even date
For **M B A H & CO**
Chartered Accountants
(Firm's Registration No.: 121426W)

Mahesh Bhageria
Partner
Membership Number: 034499

Place: Mumbai
Date: 27th May, 2024

For & on behalf of Board of Directors

HARSH VARDHAN BASSI
Managing Director
DIN 00102941

RAJ KUMAR SEKHANI
Chairman
DIN 00102843

DEEPAK SIPANI
Chief Financial Officer

AMI THAKKAR
Company Secretary

Standalone Statement of Cash Flow

for the Year Ended March 31, 2024

(₹ in lakhs)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A.	**Cash Flow From Operating Activities :**		
	Net Profit before Extraordinary Items and Tax	458.44	1,233.11
	Adjustment for :		
	Depreciation and Amortisation Expense	1,253.82	846.11
	Loss/(Profit) on sale/discard of Property, Plant and Equipment (net)	(22.44)	(1,231.08)
	Interest Income	(61.09)	(35.26)
	Dividend Received	(2.40)	(1.26)
	Profit on Sale of Investments	-	(2.51)
	Finance Costs	926.41	364.14
	Employee ESOP Compensation	-	(11.37)
	Provision for Expected Credit Losses	15.95	10.49
	Amortization of Government Grant	(223.26)	-
	Operating Profit before Working Capital Changes	**2,345.43**	**1,172.37**
	Changes in Working Capital:		
	Adjustments for :		
	Decrease/(Increase) in Inventories	(1,424.78)	(621.24)
	Decrease/(Increase) in Trade and Other Receivables	(460.88)	(242.83)
	Increase/(Decrease) in Trade and Other Payables	668.98	752.51
	Cash generated from Operation	**1,128.75**	**1,060.81**
	Net Income Tax (paid) / refunds	26.01	(32.41)
	Net Cash from Operating Activities	**1,154.76**	**1,028.40**
B.	**Cash Flow From Investing Activities :**		
	Purchases of Property, Plant and Equipments and Intangible Assets (including capital advance)	(3,393.64)	(6,950.06)
	Proceeds from Sales of Property, Plant & Equipments (net of Advance)	23.64	1,408.54
	Purchase of Non-Current Investments (net)	-	(1,055.99)
	Sale/(Purchase) of Current Investments (net)	34.79	(26.91)
	Inter corporate deposit given / recovered (net)	(100.92)	83.48
	Interest Received	61.09	35.26
	Dividend Received	2.40	1.26
	Net Cash from / (used) in Investing Activities	**(3,372.64)**	**(6,504.42)**
C.	**Cash Flow From Financing Activities :**		
	Proceeds from Issue of Equity Share Capital & Share Warrants (including Share Premium)	1,272.49	-
	Proceeds from Non-Current Borrowing	1,441.15	6,410.97
	Repayment of Non-Current Borrowing	(1,249.53)	(729.58)
	Net increase / (decrease) in Current Borrowings	1,132.20	832.32
	Payment of Lease Liability	(72.97)	(50.98)
	Dividend Paid	-	(77.98)
	Finance Costs	(921.77)	(363.29)
	Net Cash used in Financing Activities	**1,601.57**	**6,021.46**
	Net increase / (decrease) in cash and Cash Equivalents (A+B+C)	**(616.31)**	**545.44**
	Add: Opening Cash and Cash Equivalent	678.12	132.68
	Closing Cash and Cash Equivalent	**61.81**	**678.12**

Note:
The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7 -Statement of Cash Flows.

As per our Report of even date
For **M B A H & CO**
Chartered Accountants
(Firm's Registration No.: 121426W)

Mahesh Bhageria
Partner
Membership Number: 034499

Place: Mumbai
Date: 27th May, 2024

For & on behalf of Board of Directors

HARSH VARDHAN BASSI
Managing Director
DIN 00102941

RAJ KUMAR SEKHANI
Chairman
DIN 00102843

DEEPAK SIPANI
Chief Financial Officer

AMI THAKKAR
Company Secretary

Standalone Statement of Change in Equity

for the Year Ended March 31, 2024

(₹ in lakhs)

(a) Equity Share Capital :

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	26,590,942	2,659.09	26,590,942	2,659.09
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	**26,590,942**	**2,659.09**	**26,590,942**	**2,659.09**
Changes in Equity Share Capital during the year	2,884,500	288.45	-	-
Balance at the end of the year	**29,475,442**	**2,947.54**	**26,590,942**	**2,659.09**

(b) Other Equity :

Particulars	Reserves and Surplus			Share Warrants	Total
	Security Premium Reserve	Retained Earnings	Share Based Payment Reserve		
Balance at April 01, 2022	**3,999.17**	**5,845.75**	**67.39**		
Changes in Accounting Policy or prior period errors	-	-	-	-	-
Restated balance as at April 01, 2022	**3,999.17**	**5,845.75**	**67.39**	**-**	**9,912.31**
Profit for the year	-	870.54	-	-	870.54
Other Comprehensive Income for the year (net of tax)	-	24.95	-	-	24.95
Total Comprehensive Income for the year	**-**	**895.49**	**-**	**-**	**895.49**
Dividend Paid	-	(79.77)	-	-	(79.77)
Recognition of Share based payments	-	-	(11.37)	-	(11.37)
Balance at March 31, 2023	**3,999.17**	**6,661.47**	**56.02**	**-**	**10,716.66**
Changes in Accounting Policy or prior period errors	-	-	-	-	-
Restated balance as at April 01, 2023	**3,999.17**	**6,661.47**	**56.02**	**-**	**10,716.66**
Profit for the year	-	388.29	-	-	388.29
Other Comprehensive Income for the year (net of tax)	-	33.35	-	-	33.35
Total Comprehensive Income for the year	**-**	**421.64**	**-**	**-**	**421.64**
Issued during the year	-	-	-	1,219.05	1,219.05
On issuance of Equity Shares	893.44	-	-	(1,075.00)	(181.56)
Recognition of Share based payments	-	-	(53.45)	-	(53.45)
Balance at March 31, 2024	**4,892.61**	**7,083.11**	**2.57**	**144.05**	**12,122.34**

The accompanying Notes are an integral part of the Standalone Financial Statements.

As per our Report of even date
For **M B A H & CO**
Chartered Accountants
(Firm's Registration No.: 121426W)

Mahesh Bhageria
Partner
Membership Number: 034499

Place: Mumbai
Date: 27th May, 2024

For & on behalf of Board of Directors

HARSH VARDHAN BASSI
Managing Director
DIN 00102941

RAJ KUMAR SEKHANI
Chairman
DIN 00102843

DEEPAK SIPANI
Chief Financial Officer

AMI THAKKAR
Company Secretary

1 Reporting Entity

Pioneer Embroideries Limited "the Company" is a public limited company domiciled and incorporated in India and listed on the Bombay Stock Exchange Limited (BSE), National Stock Exchange Limited (NSE) and Calcutta Stock Exchange Limited (CSE). The Company's registered office is at Unit 101B, 1st Floor, Abhishek Premises, Plot No. C5-6, Dalia Industrial Estate, Off. New Link Road, Andheri (West), Mumbai-400 058. The Company is a manufacturer of Special Polyester Filament Yarn (SPFY), Embroidery & Lace Products. It has four manufacturing units located at Kala-amb (Himachal Pradesh) for SPFY and Sarigam (Gujarat), Naroli (Daman & Nagar Haveli), Degaon (Maharashtra) for Embroidery and Laces.

These financial statements were authorised for issue by the Board of Directors in their meeting held on 27th May, 2024.

2 Material Accounting Policies

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

2.1 Basis of Preparation

The standalone financial statements of the Company comply in all material aspects with Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended time to time and other accounting principles generally accepted in India.

Accounting Policies have been consistently applied except where a newly issued accounting standards is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

2.2 Basis of Measurement

The financial statements have been prepared under the historical cost convention on accrual basis and the following items, which are measured on following basis on each reporting date:

- Certain financial assets and liabilities that is measured at fair value.
- Defined benefit liability/(assets): present value of defined benefit obligation less fair value of plan assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date;
- **Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs are unobservable inputs for the asset or liability.

2.3 Functional and Presentation Currency

These financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

2.4 Use of Judgements and Estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:

- Classification of leases into finance and operating lease.
- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Notes to Standalone Financial Statements
for the Year Ended March 31, 2024

Assumptions and Estimation Uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the every period ended is included below:

- Measurement of defined benefit obligations: key actuarial assumptions;
- Recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used;
- Impairment test: key assumptions underlying recoverable amounts;
- Useful life and residual value of Property, Plant and Equipment;
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Impairment of financial assets: key assumptions used in estimating recoverable cash flows.

2.5 Classification of Assets and Liabilities as Current and Non-Current

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset/liabilities is treated as current when it is:

- Expected to be realised/settled (liabilities) or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised/settled within twelve months after the reporting period, or
- Cash and Cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets/liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets/liabilities.

The operating cycle is the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents.

2.6 Property, Plant and Equipment (Fixed Assets)

Recognition and Measurement

Items of property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment loss, if any. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred upto the date when the assets are ready to use. Capital work in progress includes cost of assets at sites, construction expenditure and interest on the funds deployed less any impairment loss, if any.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate items (major components) of property, plant and equipment. Any gain on disposal of property, plant and equipment is recognised in Statement of Profit and loss.

Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that there is an increase in the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation on property, plant & equipment is calculated on Straight Line Method using the rates arrived at on the basis of estimated useful lives given in Schedule II of the Companies Act, 2013 except in respect of certain Plant & Machineries in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc..

Depreciation on additions to or on disposal of assets is calculated on pro-rata basis. Leasehold land is being amortised over the period of lease tenure. Right of use assets is amortised over the lease period or estimated useful life whichever is less. Additions on rented premises are being amortised over the period of rent agreement.

Depreciation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively.

Individual assets costing below ₹5,000 are fully depreciated in the year of purchase.

Capital work-in-progress

Expenditure incurred during the construction period, including all expenditure direct and indirect expenses, incidental and related to construction and not ready for their intended use, is carried forward at cost and on completion, the costs are allocated to the respective property, plant and equipment.

De-recognition

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

2.7 Intangible Assets

Intangible Assets (Other than Goodwill) acquired separately are stated at cost less accumulated amortization and impairment loss, if any. Intangible assets are amortized on straight line method basis over the estimated useful life. Estimated useful life of the Software is considered as 10 years.

Amortisation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

2.8 Non-current Assets held for Sale

Non-current assets are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

2.9 Impairment of Non-financial Assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the recoverable amount of assets is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Unit (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment loss in respect of assets other than goodwill is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years. A reversal of impairment loss is recognised immediately in the Statement of Profit & Loss.

2.10 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction of qualifying assets that necessarily takes substantial period of time to get ready for its intended use are capitalised as part of the cost of such assets. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortised on the basis of the Effective Interest Rate (EIR) method over the term of the loan.

2.11 Foreign Currency Transactions

Transactions in foreign currencies are recorded by the Company at their respective functional currency at the exchange rates prevailing at the date of the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rates prevailing at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss with the exception of the following:

- exchange differences on foreign currency borrowings included in the borrowing cost when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

Notes to Standalone Financial Statements
for the Year Ended March 31, 2024

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of initial transactions. Non-monetary items measure at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

2.12 Employee Benefits

Short term employee benefits

Short-term employee benefits are expensed in the year in which the related services are provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Employee benefits in the form of Provident Fund are defined as contribution plan and charged as expenses during the period in which the employees perform the services.

Defined benefit plans

For defined benefit retirement, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using yield of government bonds.

The effect of the remeasurement changes (comprising actuarial gains and losses) to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in other equity and will not be reclassified to the Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item employee benefits expense.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Other long-term employee benefits

The Company has long term employment benefit plans i.e. accumulated leave. Accumulated leave is encashed to eligible employees at the time of retirement. The liability for accumulated leave, which is a defined benefit scheme, is provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

2.13 Revenue Recognition

The Company recognises revenue from sale of goods when;

i) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

ii) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

iii) the amount of revenue can be measured reliably;

iv) it is probable that the economic benefits associated with the transaction will flow to the Company; and

v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue (other than sale of goods) is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Claim on insurance companies, interest and others, where quantum of accrual cannot be ascertained with reasonable certainty, are accounted for on acceptance basis.

Revenue represents net value of goods and services provided to customers after deducting for certain incentives including, but not limited to discounts, volume rebates, incentive programs etc. Sales exclude Goods and Services Tax.

Interest other than interest on overdue debts from customers, is recognised on time proportion basis.

Dividends are recognised at the time the right to receive payment is established.

2.14 Inventories

Inventories are valued at lower of cost and net realisable value except waste/scrap which is valued at net realisable value. Cost of finished goods and stock in process is determined by taking cost of purchases, material consumed, labour and related overheads. Cost of raw materials and stores & spare parts is computed on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

2.15 Provisions, Contingent Liabilities and Contingent Assets

Based on the best estimate provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation at reporting date.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote.

Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

2.16 Measurement of Fair Value

a) Financial instruments

The estimated fair value of the Company's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

b) Marketable and non-marketable equity securities

Fair value for quoted securities is based on quoted market prices as of the reporting date. Fair value for unquoted securities is calculated based on commonly accepted valuation techniques utilizing significant unobservable data, primarily cash flow based models. If fair value cannot be measured reliably unlisted shares are recognized at cost.

2.17 Financial Instruments

a. Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classifications

The Company classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Financial assets at fair value through Other Comprehensive Income (FVOCI)

Financial assets with contractual cash flow characteristics that are solely payments of principal and interest and held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets are classified to be measured at FVOCI.

Financial assets at fair value through profit and loss (FVTPL)

Any Financial assets, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the company may elect to classify a Financial assets, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity Instruments

All equity instruments in scope of Ind AS 109 are measured at fair value. On initial recognition an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

All other Financial Instruments are classified as measured at FVTPL.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in the Statement of Profit and Loss.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit and loss include financial liabilities designated upon initial recognition as at fair value through profit and loss.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Derecognition of financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

2.18 Income Tax

Income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in Equity or in Other Comprehensive Income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:

a) Has a legally enforceable right to set off the recognised amounts; and

b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

2.19 Leases

The Company as lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

Lease Liability

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;

- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Right of Use (ROU) Assets

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

The ROU assets are not presented as a separate line in the Balance Sheet but presented below similar owned assets as a separate line in the PPE note under "Notes forming part of the Financial Statement".

The Company applies Ind AS 36- Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'property, plant and equipment'.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

2.20 Earning per share

The basic EPS is computed by dividing the profit after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year

For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.21 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

2.22 Government Grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the statement of Profit and Loss on a straight – line basis over the expected lives of related assets and presented within other income.

2.23 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company has been identified as being the chief operating decision maker by the Management of the Company. The Business activity of the company falls within one business segment viz "Textile".

2.24 Standards issued but not effective

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. There is no such notification which would have been applicable from April 01, 2024.

3A. Property, Plant and Equipments

(₹ in lakhs)

Particulars	Tangible Assets									
	Freehold land	Buildings	Plant and Equipment	Vehicles	Furniture and Fixtures	Office Equipment	Computers	Electrical Installations	Borewell	Total
Cost										
As at April 01, 2022	**325.69**	**2,969.90**	**7,860.72**	**149.70**	**58.45**	**38.44**	**69.35**	**521.95**	**5.37**	**11,999.57**
Additions	-	0.66	562.82	39.04	0.40	15.17	5.91	7.17	-	631.17
Disposals	49.71	167.19	44.67	3.08	-	0.32	0.62	19.61	0.07	285.27
As at March 31, 2023	**275.98**	**2,803.37**	**8,378.87**	**185.66**	**58.85**	**53.29**	**74.64**	**509.51**	**5.30**	**12,345.47**
Additions	1.76	1,791.81	9,699.64	69.76	28.61	9.90	9.99	606.26	0.75	12,218.48
Disposals	-	-	40.07	-	-	-	0.05	-	-	40.12
As at March 31, 2024	**277.74**	**4,595.18**	**18,038.44**	**255.42**	**87.46**	**63.19**	**84.58**	**1,115.77**	**6.05**	**24,523.83**
Depreciation										
As at April 01, 2022	**-**	**796.02**	**3,200.40**	**63.41**	**44.70**	**25.55**	**58.18**	**372.46**	**0.28**	**4,561.00**
Additions	-	130.36	586.48	18.94	2.57	6.11	6.63	25.47	1.06	777.62
Disposals	-	48.14	36.10	2.94	-	0.32	0.62	19.61	0.07	107.80
As at March 31, 2023	**-**	**878.24**	**3,750.78**	**79.41**	**47.27**	**31.34**	**64.19**	**378.32**	**1.27**	**5,230.82**
Additions	-	144.11	925.14	22.67	4.10	7.72	7.51	66.66	1.10	1,179.01
Disposals	-	-	29.72	-	-	-	0.05	-	-	29.77
As at March 31, 2024	**-**	**1,022.35**	**4,646.20**	**102.08**	**51.37**	**39.06**	**71.65**	**444.98**	**2.37**	**6,380.06**
Net block										
As at March 31, 2023	**275.98**	**1,925.13**	**4,628.09**	**106.25**	**11.58**	**21.95**	**10.45**	**131.19**	**4.03**	**7,114.65**
As at March 31, 2024	**277.74**	**3,572.83**	**13,392.24**	**153.34**	**36.09**	**24.13**	**12.93**	**670.79**	**3.68**	**18,143.77**

3B. Capital Work-in-Progress

As at March 31, 2023										7,164.35
As at March 31, 2024										**-**

(₹ in lakhs)

3C. Right of use Assets (Refer Note 39)

Particulars	Leasehold Land	Leased Property	Total
Cost			
As at April 01, 2022	**24.81**	**406.18**	**430.99**
Additions	-	-	-
Additions as per IND AS 116 (Lease)	-	75.61	75.61
Disposals	-	23.97	23.97
As at March 31, 2023	**24.81**	**457.82**	**482.63**
Additions	-	-	-
Additions as per IND AS 116 (Lease)	-	353.24	353.24
Disposals	-	327.14	327.14
As at March 31, 2024	**24.81**	**483.92**	**508.73**
Amortisation			
As at April 01, 2022	**1.78**	**65.65**	**67.43**
Additions	0.29	63.44	63.73
Deletions	-	23.97	23.97
As at March 31, 2023	**2.07**	**105.12**	**107.19**
Additions	0.30	69.63	69.93
Disposals	-	78.33	78.33
As at March 31, 2024	**2.37**	**96.42**	**98.79**
Net block			
As at March 31, 2023	22.74	352.70	375.44
As at March 31, 2024	**22.44**	**387.50**	**409.94**

3D. Intangible Assets

Particulars	Computer Software	Total
Cost		
As at April 01, 2022	**72.25**	**72.25**
Additions	-	-
Disposals	0.08	0.08
As at March 31, 2023	**72.17**	**72.17**
Additions	4.60	4.60
Disposals	-	-
As at March 31, 2024	**76.77**	**76.77**
Depreciation		
As at April 01, 2022	**47.85**	**47.85**
Additions	4.76	4.76
Disposals	0.08	0.08
As at March 31, 2023	**52.53**	**52.53**
Additions	4.88	4.88
Disposals	-	-
As at March 31, 2024	**57.41**	**57.41**
Net block		
As at March 31, 2023	19.64	19.64
As at March 31, 2024	**19.36**	**19.36**

3.1 a) Depreciation is provided on fixed assets over the remaining useful life in accordance with the provisions of Schedule II of the Act.

b) Property, Plant and Equipment given as security for borrowings (Refer note 18 & 23).

c) Certain machinery at SPFY unit are hypothecated to Director of Industries Himachal Pradesh towards capital subsidy received from them.

d) During the year, borrowing cost amounting to ₹261.09 (₹71.92) directly attributable to the acquisition of fixed assets are capitalized by the Company and work in progress as part of the cost of the assets up to the date of such asset is ready for its intended use.

3.2 a) Capital work-in-progress ageing schedule for the year ended March 31, 2024:

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
	-	**-**	**-**	**-**	**-**

(₹ in lakhs)

4 Non- Current Investment

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Quoted Investments				
In Other Entities (measured at fair value through profit and loss)				
RLF Limited	1,000	0.00	1,000	0.00
(Equity shares of Face Value of ₹10 each)				
(Cost ₹0.06 lakh less provision made ₹0.06 lakh)				
Padmini Technologies Limited (listing suspended)	68,939	0.00	68,939	0.00
(Equity shares of Face Value of ₹10 each)				
(Cost ₹17.56 lakh less provision made ₹17.56 lakh)				
Unquoted Investments				
a) Investment in Subsidiaries (measured at cost)				
Hakoba Lifestyle Limited	4,846,312	484.63	4,846,312	484.63
(Equity shares of Face Value of ₹10 each)				
Pioneer Realty Limited	50,000	5.00	50,000	5.00
(Equity shares of Face Value of ₹10 each)				
Crystal Lace (I) Limited	4,400,000	440.00	4,400,000	440.00
(Equity shares of Face Value of ₹10 each)				
b) In Other Entities				
Shree Ganesh Integrated Textile Park Private Limited	10,560,000	1,056.00	10,560,000	1,056.00
(Equity shares of Face Value of ₹10 each)				
The Greater Bombay Co-op. Bank Limited	40	0.01	40	0.01
(Equity shares of Face Value of ₹25 each)				
	19,926,291	**1,985.64**	**19,926,291**	**1,985.64**

a. None of the above investments are listed on any stock exchange in India or outside India.
b. Aggregate amount of investments are given below:

Aggregate cost of unquoted investments		2,003.26		2,003.26
Aggregated amount of impairment in value of investments		17.62		17.62

5 Other Non-Current Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Security Deposits	199.93	186.00
Fixed Deposit in Banks with more than 12 months maturity	33.70	138.39
	233.63	**324.39**

Notes to Standalone Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

6 Other Non-Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Capital Advances	75.54	1,336.46
	75.54	**1,336.46**

7 Inventories
(Valued at lower of cost or net realisable value as certified by Management)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw Materials	1,292.23	1,369.00
Work-in-Progress	1,342.16	756.32
Finished Goods	3,380.58	2,395.06
Store & Spares	351.60	431.64
Packing Material	71.66	61.43
	6,438.23	**5,013.45**
Inventories include Goods in transit as under:		
Finished Goods	329.01	145.31
Raw Material	-	332.26

7.1 Inventories are hypothecated to secure borrowings (Refer Note 18 & 23)

8 Current Investment

	Particulars	As at March 31, 2024		As at March 31, 2023	
		Number of shares	Amount	Number of shares	Amount
A	**Investment in Equity instruments**				
	Unquoted, fully paid-up				
	National Stock Exchange of India Limited	3,000	98.25	3,000	98.25
	(Equity shares of Face Value of ₹1 each)				
B	**Investment in Government Bonds (Quoted)**				
	9.20% Government Stock 2030	-	-	31,000	34.79
		3,000	**98.25**	**34,000**	**133.04**
	Aggregate book value of quoted investments		-		34.79
	Aggregate market value of quoted investments		-		36.58
	Aggregate book value of unquoted investments		98.25		98.25
	Aggregated amount of impairment in value of investments		-		-

Notes to Standalone Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

9 Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured		
Considered Good	2,673.14	2,453.13
Having significant increase in credit risks	304.71	163.89
Credit Impaired	56.21	48.60
	3,034.06	**2,665.62**
Less: Allowance for Credit Losses	(272.02)	(256.07)
	2,762.04	**2,409.55**

9.1 Trade receivables include outstanding from related party enterprise of ₹77.36 (₹93.47)

9.2 Trade receivables are hypothecated to secure borrowings (Refer Note 18 & 23)

Trade Receivables ageing schedule as at 31st March, 2024:

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables -considered good	1,882.26	529.75	434.94	49.50	54.55	26.85	**2,977.85**
Undisputed Trade receivables -credit impaired	-	-	-	7.60	7.10	41.51	**56.21**
Disputed Trade Receivables - considered good	-	-	-	-	-	-	**-**
Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	**-**
	1,882.26	**529.75**	**434.94**	**57.10**	**61.65**	**68.36**	**3,034.06**
Less: Allowance for Credit Losses							**(272.02)**
Total Trade Receivables							**2,762.04**

Trade Receivables ageing schedule as at 31st March, 2023:

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables -considered good	1,548.29	715.52	212.30	54.82	57.57	28.52	**2,617.02**
Undisputed Trade receivables -credit impaired	-	-	-	0.55	6.55	41.50	**48.60**
Disputed Trade Receivables - considered good	-	-	-	-	-	-	**-**
Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	**-**
	1,548.29	**715.52**	**212.30**	**55.37**	**64.12**	**70.02**	**2,665.62**
Less: Allowance for Credit Losses							**(256.07)**
Total Trade Receivables					.		**2,409.55**

Notes to Standalone Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

10 Cash & Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks - In Current Accounts	48.57	666.98
Cash in hand	13.24	11.14
	61.81	**678.12**

11 Bank Balances other than Cash & Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed Deposit in Banks with less than 12 months maturity	93.33	263.59
	93.33	**263.59**

12 Current Loans

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Inter Corporate Deposits		
Associates Concerns		
Shree Ganesh Integrated Textile Park Pvt. Ltd.	353.01	252.09
	353.01	**252.09**

13 Other Current Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Other Loans and Advances		
Subsidiaries		
Hakoba Lifestyle Ltd.	196.02	194.33
Pioneer Realty Ltd.	3.62	3.40
Crystal Lace (I) Ltd.	131.95	136.58
Others		
Loan & Advances to Staff	37.39	38.81
	368.98	**373.12**

14 Current Tax Assets (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
Income Tax Refund Receivable (net)	114.46	156.07
	114.46	**156.07**

Notes to Standalone Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

15 Other Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Advances recoverable in cash or in kind	122.77	111.33
Prepaid Expenses	195.05	120.21
Accrued Export and Other Incentives	74.71	88.17
Other Advances and Balances	851.22	566.45
	1,243.75	**886.16**

16 Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity Shares of ₹10 each	50,000,000	5,000.00	50,000,000	5,000.00
	50,000,000	**5,000.00**	**50,000,000**	**5,000.00**
Issued, Subscribed & Paid up				
Equity Shares of ₹10 each	29,475,442	2,947.54	26,590,942	2,659.09
	29,475,442	**2,947.54**	**26,590,942**	**2,659.09**

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the financial year:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
As at the beginning of the financial year	26,590,942	2,659.09	26,590,942	2,659.09
Add: Issued during the year	2,884,500	288.45	-	-
As at the end of the financial year	**29,475,442**	**2,947.54**	**26,590,942**	**2,659.09**

Issue of Shares:

The Company has issued 25,00,000 equity shares of ₹10 each at a premium of ₹33 each during the year on preferential basis on 2nd February, 2024 on conversion of Share Warrants issued on 28th September, 2023.

The Company has also issued 3,84,500 equity shares of ₹10 each to the employees of the Company under PEL ESOP Scheme.

Rights, preferences and restrictions attached to Equity Shares:

The Company has one class of Equity Shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In case of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to Standalone Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

Details of Equity Shareholding more than 5% in the Company on reporting date:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Pioneer E-Com Fashions LLP	5,536,492	18.78	5,536,492	20.82
Raj Kumar Sekhani	3,164,760	10.74	3,164,760	11.90
Tano Investment Opportunities Fund	2,500,000	8.48	-	-

Shareholding of Promoters:

Promoter Name	As at March 31, 2024			As at March 31, 2023		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Pioneer E-Com Fashions LLP	5,536,492	18.78	(2.04)	5,536,492	20.82	No Change
Raj Kumar Sekhani	3,164,760	10.74	(1.16)	3,164,760	11.90	No Change
Bimladevi Sekhani	23,073	0.08	(0.01)	23,073	0.09	No Change
Manak Chand Baid Jt. Raj Kumar Sekhani	14,000	0.05	-	14,000	0.05	No Change

17 Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
Share Premium Reserve		
Opening Balance	3,999.17	3,999.17
Add: During the year	893.44	-
Balance as at the end of the year	**4,892.61**	**3,999.17**
Share Based Payment Reserve		
Opening Balance	56.02	67.39
Add: Recognition of Share based payments during the year (Refer Note 44)	(53.45)	(11.37)
Balance as at the end of the year	**2.57**	**56.02**
Retained Earnings		
Opening Balance	6,661.47	5,845.75
Add : Other Comprehensive Income (including tax thereon)	33.35	24.95
Add: Profit for the year	388.29	870.54
	7,083.11	**6,741.24**
Less: Dividend paid	-	(79.77)
Balance as at the end of the year	**7,083.11**	**6,661.47**
Share Warrants	144.05	-
	144.05	**-**
	12,122.34	**10,716.66**

Notes to Standalone Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

Nature and purpose of other reserves/ other equity

Securities Premium

This Reserve represents premium received on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Share Based Payment Reserve:

This reserve relates to stock options granted to employees under "Employee Stock Option Plan 2018 Scheme (ESOP)"and shall be transferred to securities premium account/retained earnings on exercise/cancellation of options.

Retained Earnings

Retained earnings are profits earned by the Company after transfer to general reserve and payment of dividend to shareholders.

Share Warrants

The Company has issued and alloted 38,40,000 share warrants of ₹10 each at a premium of ₹33 each during the year on preferential basis on 28th September, 2023 pursuant to shareholders' approval dated 12th September, 2023. Out of this, 25,00,000 share warrants has been converted into equity shares on 2nd February, 2024 after receipt of full payment.

18 Non-Current Financial Liabilities -Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured Loans		
Term Loans from Banks/Institutions	4,927.75	5,414.94
Term Loan from Other	2,151.73	1,472.92
	7,079.48	**6,887.86**
Current Maturity of Borrowings disclosed under the head "Current Financial Liabilities-Borrowings" (Refer Note 23)	(1,733.53)	(1,181.28)
	5,345.95	**5,706.58**

18.1 Term Loan from bank of ₹4,504.24 are secured by first pari passu charge over fixed assets of the Company both present & future and are further secured by second charge over current assets of the Company, by personal guarantee of Chairman of the Company and pledge of company's certain shares by promoter and promoter group firms. This loan is repayable in monthly instalments ending October 2028 and presently carries interest @11.80% p.a..

18.2 Term Loans from banks of ₹253.99 are secured by first pari passu charge over current assets of the Company and further secured by second pari passu charge over fixed assets of the Company both present & future with other term lenders, by personal guarantee of the Chairman of the Company.

Out of these loan, i) ₹72.59 is repayable in monthly instalments ending October 2024 and carries interest @9.25% p.a..; ii) ₹48.55 is repayable in monthly instalments ending October 2024 and carries interest @7.5% p.a.. & iii) ₹132.85 is repayable in monthly instalments ending March 2027 and carries interest @6.8% p.a.

18.3 Term Loan from bank of ₹65.14 is secured by exclusive charge on certain plant & machinery purchased under ATUFS. This loan is repayable in monthly instalments ending November 2024 and carries interest @5.60% p.a..

18.4 Term Loan from Banks of ₹104.38 are secured by hypothecation of respective vehicles financed.

(₹ in lakhs)

18.5 Term Loan from Oerlikon Barmag of ₹988.64 of Foreign Currency Term Loan is secured by exclusive charge on certain imported machineries. This loan is repayable in half yearly instalments ending February 2026 and presently carries interest @4.50% p.a.

18.6 Term Loan from Tata Capital of ₹931.40 is secured by exclusive charge on certain machineries. This loan is repayable in monthly instalments ending September 2028 and presently carries interest @12% p.a.

18.7 Term Loan from others of ₹231.69 is secured by assignment of Keyman Insurance Policy and carries interest @9.5%.

19 Lease Liability

Particulars	As at March 31, 2024	As at March 31, 2023
Finance lease obligations	391.60	369.29
	391.60	**369.29**
Current Maturity of Lease (Refer Note 24)	(70.10)	(44.20)
	321.50	**325.09**

20 Long Term Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits	537.05	511.72
	537.05	**511.72**

21 Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
The balance comprises temporary differences attributable to:		
Deferred Tax Assets in relation to:		
Business Losses including Unabsorbed Depreciation	118.28	-
Provision for allowances for credit losses	75.68	71.24
Expenses allowed in the year of payment	172.42	155.65
Lease Liabilities	108.94	102.74
Total Deferred Tax Assets (A)	**475.32**	**329.63**
Deferred Tax Liabilities in relation to:		
Property, Plant & Equipments and Intangible Assets	940.44	737.03
Right-of-use to assets	107.80	98.12
Total Deferred Tax Liabilities (B)	**1,048.24**	**835.15**
Total Deferred Tax Liabilities (B-A)	**572.92**	**505.52**

(₹ in lakhs)

21.1 Movement of Deferred Tax Liabilities/ (Assets)

Particulars	As at March 31, 2023	Recognised in P&L	Recognised in OCI	As at March 31, 2024
Deferred Tax Assets in relation to:				
Business Losses including Unabsorbed Depreciation	-	118.28	-	**118.28**
Provision for allowances for credit losses	71.24	4.44	-	**75.68**
Expenses allowed in the year of payment	155.65	29.62	(12.85)	**172.42**
Lease Liabilities	102.74	6.20	-	**108.94**
Total Deferred Tax Assets (A)	**329.63**	**158.54**	**(12.85)**	**475.32**
Deferred Tax Liabilities in relation to:				
Property, Plant & Equipments and Intangible Assets	737.03	203.41	-	**940.44**
Right-of-use to assets	98.12	9.68	-	**107.80**
Total Deferred Tax Liabilities (B)	**835.15**	**213.09**	**-**	**1,048.24**
Total Deferred Tax Liabilities / (Assets) (B - A)	**505.52**	**54.55**	**12.85**	**572.92**

Particulars	As at March 31, 2022	Recognised in P&L	Recognised in OCI	As at March 31, 2023
Deferred Tax Assets in relation to:				
Business Losses including Unabsorbed Depreciation	40.80	(40.80)	-	**-**
Provision for allowances for credit losses	263.35	(192.11)	-	**71.24**
Expenses allowed in the year of payment	182.25	(16.99)	(9.61)	**155.65**
Lease Liabilities	95.89	6.85	-	**102.74**
Total Deferred Tax Assets (A)	**582.29**	**(243.05)**	**(9.61)**	**329.63**
Deferred Tax Liabilities in relation to:				
Property, Plant & Equipments and Intangible Assets	646.45	90.58	-	**737.03**
Right-of-use to assets	94.74	3.38	-	**98.12**
Total Deferred Tax Liabilities (B)	**741.19**	**93.96**	**-**	**835.15**
Total Deferred Tax Liabilities / (Assets) (B - A)	**158.90**	**337.01**	**9.61**	**505.52**

22 Non-Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Government Grants (Refer Note 40)		
Opening Balance	1,042.44	-
Add: During the year	528.50	1,042.44
Less: Amortisation of Deferred Government Grant recognised in Other Income	223.26	-
	1,347.68	**1,042.44**

(₹ in lakhs)

23 Current Financial Liabilities -Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
Loans Repayable on Demand		
Cash Credit from Banks	2,690.02	2,248.62
	2,690.02	**2,248.62**
Unsecured		
Short Term Loans Repayable on Demand		
Inter Corporate Deposits	690.80	-
Current maturities of Long Term Debt (Refer note 18)	1,733.53	1,181.28
	5,114.35	**3,429.90**

23.1 Cash Credit Loans are secured by first pari passu charge by hypothecation of stocks, book debts and second pari passu charge on all fixed assets, both present and future and further secured by personal guarantee of the Chairman of the Company.

24 Lease Liability

Particulars	As at March 31, 2024	As at March 31, 2023
Lease obligations	70.10	44.20
	70.10	**44.20**

25 Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023
For Goods and Services		
Total outstanding dues of micro enterprises and small enterprises	488.24	633.99
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,594.42	2,010.97
	3,082.66	**2,644.96**

25.1 Trade Payables include outstanding to a related enterprise of ₹3.86 (₹21.40).

25.2 Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

	Particulars	As at March 31, 2024	As at March 31, 2023
a.	Principal amount and Interest due thereon remaining unpaid to any supplier at the end of year	488.24	633.99
b.	Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day	-	-
c.	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d.	the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act	-	-

Trade Payables ageing schedule: As at 31st March, 2024

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	437.59	50.65	-	-	-	**488.24**
(ii) Others	1,927.77	555.60	51.19	28.56	31.30	**2,594.42**
Total Trade Payable	**2,365.36**	**606.25**	**51.19**	**28.56**	**31.30**	**3,082.66**

Trade Payables ageing schedule: As at 31st March, 2023

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	630.39	-	-	-	3.60	**633.99**
(ii) Others	1,664.91	239.01	35.35	25.16	46.54	**2,010.97**
Total Trade Payable	**2,295.30**	**239.01**	**35.35**	**25.16**	**50.14**	**2,644.96**

26 Other Current Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued	8.27	3.63
Unpaid Dividend	3.29	3.34
Capital Creditors	21.03	145.34
Employees Emoluments	577.81	500.07
Statutory Dues	68.02	44.48
Others	85.55	72.38
	763.97	**769.24**

27 Short Term Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision For Employee Benefits	19.27	16.46
	19.27	**16.46**

(₹ in lakhs)

28 Other Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Customers' Credit Balances and Advances against orders	156.41	113.89
	156.41	**113.89**

29 Revenue From Operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Products - Yarn, Embroidery Fabric & Laces		
Domestic Sales	28,959.14	24,496.30
Export Sales	4,474.09	4,992.29
Other Operating Revenue (Including Export Incentives)	185.35	175.67
	33,618.58	**29,664.26**

29.1 Sales include sales made to related enterprises ₹164.79 (₹279.76).

30 Other Income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit on Sale of Investments	-	2.51
Interest Income	61.09	35.26
Dividend Received	2.40	1.26
Profit on disposal of Property, Plant and Equipment (Net)	22.44	114.79
Gain on Foreign Currency transactions and translation (Net)	65.72	106.69
Miscellaneous Income	22.61	51.27
Amortization of Government Grant	223.26	-
	397.52	**311.78**

31 Cost Of Material Consumed

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cost of Raw Material Consumed		
Opening Stock	1,369.00	1,028.45
Purchases during the year	21,324.10	18,381.10
	22,693.10	**19,409.55**
Less:- Closing Stock	1,292.23	1,369.00
	21,400.87	**18,040.55**

31.1 Purchases includes from related enterprises ₹106.82 (₹57.07) and subsidiaries ₹3.97 (₹0.67).

(₹ in lakhs)

32 Change In Inventories

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Inventories		
Work-in-Progress	756.32	719.31
Finished Goods	2,395.06	2,333.97
	3,151.38	**3,053.28**
Less: Closing Inventories		
Work-in-Progress	1,342.16	756.32
Finished Goods	3,380.58	2,395.06
	4,722.74	**3,151.38**
	(1,571.36)	**(98.10)**

33 Employee Benefits Expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Wages and Incentives	3,566.53	3,231.52
Contribution to Funds	168.23	135.49
Staff Welfare Expenses	81.33	83.28
Employee ESOP Compensation (Refer Note 44)	-	(11.37)
	3,816.09	**3,438.92**

34 Finance Cost

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense	813.87	274.58
Interest on Lease Obligation	39.43	36.09
Other Borrowing Costs	70.98	33.21
Net Gain/Loss on Foreign Currency Transactions and Translation (Considered as finance costs)	2.13	20.26
	926.41	**364.14**

35 Other Expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Stores & Spares Consumed	637.02	556.04
Repair & Maintenance	200.95	201.18
Power & Fuel	2,717.51	1,858.14

Notes to Standalone Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Insurance	59.99	53.21
Job Charges	547.65	787.11
Legal & Professional Fees	93.37	89.67
Packing Material Consumed	1,474.70	1,289.63
Payment to Auditors*	16.50	11.50
Rates & Taxes	30.59	21.78
Rent	34.68	46.61
Provision for Expected Credit Losses	15.95	10.49
Directors Sitting Fees	3.87	3.45
Donations	0.26	0.15
Expenditure incurred towards CSR activities	23.09	25.44
Selling Expenses	964.76	1,244.10
Miscellaneous Expenses	708.67	669.68
	7,529.56	**6,868.18**
*** Details of payment to Auditors**		
a) Statutory & Tax Audit	11.50	11.50
b) for Taxation Matter	5.00	-
c) for Other Services	-	-
	16.50	**11.50**

36 Exceptional Items

Exceptional Item represent:

a) Profit of ₹Nil (₹1,116.29) represents profit from sale of non- core assets of the Company,

b) Expenses of ₹Nil (₹204.10) represents settlement of workers arrived with them towards sundry cases in Labour Court-Silvassa & Valsad.

37 Income Tax Expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Tax expense/(credit) recognized in the Statement of Profit and Loss		
Current tax	-	23.88
Income Tax for earlier year	15.60	1.68
Deferred tax charge (credit)	54.55	337.01
Income Tax expense reported in the Statement of Profit and Loss	**70.15**	**362.57**
Deferred tax impact on component of other comprehensive income (OCI)	12.85	9.61
Total Income Tax benefit recognized in Other Comprehensive Income	**12.85**	**9.61**
Total Income Tax expense recognised in the current year	**83.00**	**372.18**

Notes to Standalone Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:		
Enacted income tax rate in India applicable to the Company	27.82	27.82
Profit before tax	458.44	1,233.11
Income Tax Expense	127.54	343.05
Effect of:		
Expenses that are not deductible in determining taxable profit	6.50	18.21
Income Tax for earlier year	15.60	1.68
Capital Gains (Differential tax rate)	-	5.15
Income that are not taxable in determining taxable profit	(62.11)	-
Others	(4.53)	4.09
	83.00	**372.18**

38 Contingent liabilities, contingent assets and commitments

A. Contingent liabilities (not provided for) in respect of:

	Particulars	As at March 31, 2024	As at March 31, 2023
1	Bank Guarantees Outstanding.	108.81	79.10
2	Demand for Excise duty, being contested by the Company	33.58	33.58
3	Demand for Service Tax, being contested by the Company	123.85	123.85
4	Sundry Cases in Labour Court and Industrial Court (Sarigam unit, Gujarat and Silvassa unit) *(quantum is not ascertainable)	N A*	N A*

There is no contingent liability other than stated above and adequate provision have been made for all known liabilities, except interest and penalties as may arise. The management believes that the Company has a strong chance of favourable decision in above cases, hence no further provision has been considered necessary.

B.	**Commitments**		
a)	**Capial Commitments:** 'Estimated amount of Contracts remaining to be executed on Capital Account [Net of Advances]	26.03	2,095.37
b)	**EPCG Commitments:** Future export obligations / commitments under import of Capital Goods at Concessional rate of customs duty	7,977.15	6,145.71

39 Leases

	Particulars	As at March 31, 2024	As at March 31, 2023
	As a Lessee		
a)	The movement in lease liabilities during the years ended March 31, 2024 and March 31, 2023 is as follows:		
	Balance at the beginning	369.29	344.66
	Additions during the year	346.29	75.61

(₹ in lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
	Finance cost accrued during the year	39.43	36.09
	Deletions	(259.03)	(1.24)
	Payment of Lease Liabilities	(104.38)	(85.83)
	Balance at the end	391.60	369.29
b)	Total cash outflow for leases recognised in Statement of Cash Flows for the year ended March 31, 2024 was ₹72.97 (₹50.98).		
c)	Balance of Lease Liabilities :		
	Non-Current Lease Liabilities	321.50	325.09
	Current Lease Liabilities	70.10	44.20
		391.60	**369.29**
d)	The details of the contractual maturities of lease liabilities as at March 31, 2024 and March 31, 2023 on an undiscounted basis are as follows:		
	Less than one year	105.11	74.60
	One to five years	195.59	166.59
	More than five years	1,044.00	1,049.60
	Total	**1,344.70**	**1,290.79**
e)	The Company has incurred rent expense of ₹34.68 (₹46.61) for the year ended March 31, 2024 towards expenses relating to short-term leases and leases of low-value assets.		

40 ₹528.50 (₹1,042.44) accounted as Deferred Government Grants for duty saved on import/purchase of capital goods and spares under the Export Promotion Capital Goods (EPCG) scheme. EPCG scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. Under the scheme, the company is committed to export goods at the prescribed times of duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the company would be required to pay the duty saved along with interest to the regulatory authorities. Such grants recognised are released to the Statement of Profit & Loss based on fulfillment of related export obligations.

41 Foreign exchange derivatives and exposures outstanding at the year-end:

	Particulars	As at March 31, 2024	As at March 31, 2023
(a)	Foreign Currency exposure not hedged by derivative instrument or otherwise :		
	i. Receivable	400.17	1,328.54
	ii. Payable	1,046.55	1,528.51
(b)	Outstanding forward contracts to be hedge foreign currency exposure :	-	-

42 Employee benefits

The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:

The Company makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. During the year the Company has contributed to Government Provident Fund ₹136.80 (₹106.46).

Notes to Standalone Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

(ii) Defined Benefit Plan:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2024. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Particulars	March 31, 2024	March 31, 2023
Net defined benefit liability / (asset)	498.56	468.89
Liability for Gratuity		
Current	17.58	15.41
Non-Current	480.98	453.48

B. Movement in net defined benefit (asset) / liability:

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

Particulars	March 31, 2024			March 31, 2023		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance as at 1 April	468.89	-	468.89	463.60	-	463.60
Included in profit or loss						
Service costs	72.02	-	72.02	73.85	-	73.85
Interest cost / (income)	33.12	-	33.12	30.62	-	30.62
	105.14	**-**	**105.14**	**104.47**	**-**	**104.47**
Included in OCI						
Actuarial loss / (gain) arising from:						
- demographic assumptions	-	-	-	-	-	-
- financial assumptions	91.87	-	91.87	(11.54)	-	(11.54)
- experience adjustment	(138.07)	-	(138.07)	(23.02)	-	(23.02)
	(46.20)	**-**	**(46.20)**	**(34.56)**	**-**	**(34.56)**
Other						
Contributions paid by the employer	-	-	-	-	-	-
Benefits paid	(29.27)	-	(29.27)	(64.62)	-	(64.62)
	(29.27)	**-**	**(29.27)**	**(64.62)**	**-**	**(64.62)**
Balance as at 31 March	**498.56**	**-**	**498.56**	**468.89**	**-**	**468.89**

C. Plan assets:

The Company has no plan assets.

(₹ in lakhs)

D. Actuarial assumptions:

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate	7.09%	7.29%
Expected rate of future salary increase	8.00%	7.50%
Mortality	100% of IALM (2012 - 14)	

Assumptions regarding future mortality have been based on published statistics and mortality tables.

E. Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	March 31, 2024		March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(439.83)	569.75	(414.53)	534.72
Expected rate of future salary increase (1% movement)	565.33	(441.57)	531.76	(415.94)

Sensitivities due to mortality and withdrawals are insignificant, hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on Retirement.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

F. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow -

A) Salary Increases- Higher than expected increase in salary will increase the defined benefit obligation.

B) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

C) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumption in the valuation can impact the liabilities

43 Related parties

A. Related parties and their relationships

i Key Managerial Personnel (KMP) and their relatives

Mr. Raj Kumar Sekhani (Chairman)
Mr. Harsh Vardhan Bassi (Managing Director)
Mr. Saurabh Maheshwari (Executive Director)
Mr. Joginder Kumar Baweja (Independent Director) (upto February 05, 2024)
Mr. Gopalkrishnan Sivaraman (Independent Director)
Ms. Sushama Sunil Bhatt (Independent Director)
Mr. Mahesh Kumar Gupta (Independent Director) (w.e.f. August 28, 2023)

(₹ in lakhs)

Mr. Varun Kathuria (Independent Director) (w.e.f. August 28, 2023)
Ms. Bimla Devi Sekhani
Mr. Aarav Sekhani
Mr. Vishal Sekhani
Mr. Ratanlal Sekhani
Ms. Prachi Sekhani
Ms. Priyani Sekhani

ii. Enterprises having significant influence by KMP & their Relatives

M/s J J Sons
M/s J J and Sons
Kiran Industries Pvt. Ltd.
Thakurdas & Co. Pvt. Ltd.
Kiran Texpro Pvt. Ltd.

iii. Subsidiaries

Hakoba Lifestyle Ltd.
Pioneer Realty Ltd.
Crystal Lace (I) Ltd.

iv. Associate Concerns

Pioneer E-Com Fashions LLP
Shree Ganesh Integrated Textile Park Pvt. Ltd.

B Transactions with the above in the ordinary course of business

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sales		
Enterprises having significant influence by KMP & their Relatives		
M/s J J and Sons	47.21	14.30
Kiran Industries Pvt. Ltd.	97.37	225.16
Kiran Texpro Pvt. Ltd.	20.21	40.30
	164.79	**279.76**
Purchases		
Enterprises having significant influence by KMP & their Relatives		
Kiran Industries Pvt. Ltd.	106.39	21.19
J J and sons	0.38	2.73
Kiran Texpro Pvt. Ltd.	0.05	33.15
	106.82	**57.07**
Subsidiaries		
Crystal Lace (I) Ltd.	3.97	0.67
Payment for Rent & Other Services		
Enterprises having significant influence by KMP & their Relatives		
Kiran Industries Pvt. Ltd.	23.28	23.28

Notes to Standalone Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Receipt for Rent & Other Services		
Enterprises having significant influence by KMP & their Relatives		
Kiran Texpro Pvt. Ltd.	3.66	3.14
Employee Benefit Expense		
Key Managerial Personnel (KMP) and their Relatives		
Managerial Remuneration		
Mr. Raj Kumar Sekhani (Chairman)	84.00	84.00
Mr. Harsh Vardhan Bassi (Managing Director)	36.00	36.00
Mr. Saurabh Maheshwari (Executive Director)	48.00	48.00
Mr. Aarav Sekhani	24.24	24.00
Mr. Vishal Sekhani	24.24	24.00
Mr. Ratanlal Sekhani	25.26	25.26
Ms. Prachi Sekhani	3.03	3.00
Ms. Priyani Sekhani	4.24	4.20
	249.01	**248.46**
Director Sitting Fees		
Mr. Joginder Kumar Baweja (Independent Director)	1.00	1.40
Mr. Gopalkrishnan Sivaraman (Independent Director)	1.00	1.35
Ms. Sushama Sunil Bhatt (Independent Director)	0.80	0.70
Mr. Mahesh Gupta (Independent Director)	0.63	-
Mr. Varun Kathuria (Independent Director)	0.45	-
	3.88	**3.45**
Dividend Paid		
Key Managerial Personnel (KMP) and their Relatives		
Mr. Raj Kumar Sekhani (Chairman)	-	9.49
Mr. Saurabh Maheshwari (Executive Director)	-	0.08
Ms. Bimla Devi Sekhani	-	0.07
Mr. Ratanlal Sekhani	-	0.23
Associates Concerns		
Pioneer E-Com Fashions LLP	-	16.61
	-	**26.48**
Loans & Advances Given		
Subsidiaries		
Hakoba Lifestyle Ltd.	1.69	1.05
Pioneer Realty Ltd.	0.22	0.24
Associates Concerns		
Shree Ganesh Integrated Textile Park Pvt. Ltd.	100.92	252.09
	102.83	**253.38**
Loans & Advances taken/recovered		
Subsidiaries		
Crystal Lace (I) Ltd.	4.63	29.09
	4.63	**29.09**

Notes to Standalone Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Investments in Equity Shares		
Associates Concerns		
Shree Ganesh Integrated Textile Park Pvt. Ltd.	-	1,056.00
	-	**1,056.00**
Guarantee taken		
Associates Concerns		
Pioneer E-Com Fashions LLP	-	5,000.00
	-	**5,000.00**

C Outstanding Balance at the year end

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Loans & Advances given		
Subsidiaries		
Hakoba Lifestyle Ltd.	196.02	194.33
Pioneer Realty Ltd.	3.62	3.40
Crystal Lace (I) Ltd.	131.94	136.58
	331.58	**334.31**
Trade Payables & Other Liabilities		
Enterprises having significant influence by KMP & their Relatives		
Kiran Industries Pvt. Ltd.	2.70	2.38
M/s J J and Sons	-	0.25
Kiran Texpro Pvt. Ltd.	1.16	18.77
	3.86	**21.40**
Receivables		
Enterprises having significant influence by KMP & their Relatives		
M/s J J Sons	1.46	1.46
M/s J J and Sons	37.49	9.10
Kiran Industries Pvt. Ltd.	29.97	61.76
Thakurdas & Co. Pvt. Ltd.	4.80	4.80
Kiran Texpro Pvt. Ltd.	3.64	16.35
	77.36	**93.47**
Associate Concerns		
Shree Ganesh Integrated Textile Park Pvt. Ltd.	353.00	252.09
	353.00	**252.09**

44 Pioneer Embroideries Limited Employee Stock Option Plan 2018 Scheme (ESOP)

The Company has granted stock options under the Pioneer Embroideries Limited Employee Stock Option Plan 2018 Scheme (ESOP) to the eligible employees of the Company. Under ESOP, the company has granted 4,31,000 options on August 03, 2021. 100% of total options granted would vest in after one year from the date of grant subject to fulfilment of vesting conditions. The maximum period for exercise of options is three year from the date of vesting. Each option when exercised would be converted into one fully paid-up equity share of ₹10 each of the Company. The options granted under ESOP carry no rights to dividends and voting rights till the date of exercise.

(₹ in lakhs)

As at the end of the financial year, details and movements of the outstanding options are as follows:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Options	Weighted Average exercise price (₹)	No of Options	Weighted Average exercise price (₹)
Options outstanding at the beginning of the year	403,000	@	431,000	@
Options granted under ESOP	-	-	-	-
Options exercised during the year	384,500	13.90	-	-
Options cancelled during the year	-	-	28,000	-
Options expired during the year	-	-	-	-
Options outstanding at the end of the year	18,500	@	403,000	@
Options exercisable at the end of the year	18,500	@	403,000	@

@ The exercise price shall be decided by NRC subject to maximum discount of 50% of the closing market price on the stock exchange, which records the highest trading volumn in the Company's equity shares on the date immediately prior to the date on which the notice of excercise is given to the Company by the employee. In any event, the excercise price shall not be less than face value of the equity share.

45 Financial instruments
I. Fair value measurements
A. Financial instruments by category

Particulars	As at March 31, 2024		As at March 31, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets				
Investments	0.01	98.25	0.01	133.04
Trade receivables	-	2,762.04	-	2,409.55
Cash and cash equivalents	-	155.14	-	941.71
Loans	-	353.01	-	252.09
Others				
Non Current	-	233.63	-	324.39
Current	-	368.98	-	373.12
	0.01	**3,971.05**	**0.01**	**4,433.90**
Financial liabilities				
Long term borrowings	-	5,345.95	-	5,706.58
Short terms borrowings	-	5,114.35	-	3,429.90
Trade payables	-	3,082.66	-	2,644.96
Lease Liabilities	-	391.60	-	369.29
Other current financial liabilities	-	763.97	-	769.24
	-	**14,698.53**	**-**	**12,919.97**

(₹ in lakhs)

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements:

Particulars	As at March 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets	0.01	-	-	0.01
Financial liabilities	-	-	-	-
	0.01	**-**	**-**	**0.01**

Particulars	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets	0.01	-	-	0.01
Financial liabilities	-	-	-	-
	0.01	**-**	**-**	**0.01**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year.

C. Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at March 31, 2024		As at March 31, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets				
Investments	-	98.25	-	133.04
Trade receivables	-	2,762.04	-	2,409.55
Cash and cash equivalents	-	155.14	-	941.71

(₹ in lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Loans	-	353.01	-	252.09
Others				
Non Current	-	233.63	-	324.39
Current	-	368.98	-	373.12
	-	**3,971.05**	**-**	**4,433.90**
Financial liabilities				
Long term borrowings	-	5,345.95	-	5,706.58
Short terms borrowings	-	5,114.35	-	3,429.90
Trade payables	-	3,082.66	-	2,644.96
Lease Liabilities	-	391.60	-	369.29
Other current financial liabilities	-	763.97	-	769.24
	-	**14,698.53**	**-**	**12,919.97**

The carrying amounts of the abovementioned financial assets and financial liabilities are considered to be the same as their fair values, due to their short-term nature.

II. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the processes to ensure that executive management controls risks through the mechanism of property defined framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the board annually to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The carrying amount of financial assets represents the maximum credit exposure. The Company monitor credit risk very closely both in domestic and export market. The Management impact analysis shows credit risk and impact assessment as low.

Notes to Standalone Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company Management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes market check, industry feedback, past financials and external ratings, if they are available. Sale limits are established for each customer and reviewed periodically. Any sales exceeding those limits require approval from the President of the Company.

More than 60% of the Company's customers have been transacting with the Company for over four years, and no impairment loss has been recognized against these customers. In monitoring customer credit risk, customers are reviewed according to their credit characteristics, including whether they are an individual or a legal entity, their geographic location, industry and existence of previous financial difficulties.

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

The carrying amount net of credit loss allowances of trade receivables is ₹2,762.04 (March 31, 2023 – ₹2,409.55).

Reconciliation of loss allowance provision – Trade receivables:

Particulars	March 31, 2024	March 31, 2023
Opening balance	(256.07)	(946.62)
Changes in loss allowance	(15.95)	690.55
Closing balance	**(272.02)**	**(256.07)**

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected future cash flows. This is generally carried out at unit level and monitored through corporate office of the Company in accordance with practice and limits set by the Company. These limits vary by location to take into account requirement, future cash flow and the liquidity in which the entity operates. In addition, the Company's liquidity management strategy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(a) Financing arrangements

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in indian rupee and have an average maturity within a year.

(₹ in lakhs)

(b) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude contractual interest payments and the impact of netting agreements.

Particulars	Carrying Amounts March 31, 2024	Contractual cash flows				
		Total	0- 1 year	1–3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	7,079.48	7,079.48	1,733.53	3,183.14	2,014.66	148.16
Short term borrowings	3,380.82	3,380.82	3,380.82	-	-	-
Trade payables	3,082.66	3,082.66	3,082.66	-	-	-
Other non-current financial liabilities	321.50	321.50	-	67.27	21.24	232.99
Other current financial liabilities	834.07	834.07	834.07	-	-	-
Total non-derivative liabilities	**14,698.53**	**14,698.53**	**9,031.08**	**3,250.41**	**2,035.90**	**381.14**

Particulars	Carrying Amounts March 31, 2023	Contractual cash flows				
		Total	0- 1 year	1–3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	6,887.86	6,887.86	1,181.28	3,183.14	2,014.66	508.78
Short term borrowings	2,248.62	2,248.62	2,248.62	-	-	-
Trade payables	2,644.96	2,644.96	2,644.96	-	-	-
Other non-current financial liabilities	325.09	325.09	-	54.36	13.72	257.01
Other current financial liabilities	813.44	813.44	813.44	-	-	-
Total non-derivative liabilities	**12,919.97**	**12,919.97**	**6,888.30**	**3,237.50**	**2,028.38**	**765.79**

The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for liquidity / credit management purposes and which are not usually closed out before contractual maturity.

The interest payments on variable interest rate loans in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change.

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company uses derivatives like forward contracts to manage market risks on account of foreign exchange. All such transactions are carried out within the guidelines set by the Board of Directors.

v. Currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and small exposure in EUR and GBP. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions by hedging the foreign exchange inflows on regular basis.

(₹ in lakhs)

Currency risks related to the principal amounts of the Company's foreign currency payables, have been partially hedged using forward contracts taken by the Company.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

Particulars	As at March 31, 2024		As at March 31, 2023	
	USD	EUR	USD	EUR
Financial assets				
Trade receivables	6.07	-	6.57	-
Other payables	0.68	10.96	0.68	16.44
Net statement of financial position exposure	**6.75**	**(10.96)**	**5.90**	**(16.44)**

The following significant exchange rates have been applied:

Particulars	Average Rates		Year end spot rates	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
USD 1	83.22	82.24	83.08	82.22
EUR 1	90.04	89.34	90.05	89.61

Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During March 31, 2024 and March 31, 2023, the Company's borrowings at variable rate were denominated in Indian Rupees.

Currently the Company's borrowings are within acceptable risk levels, as determined by the management, hence the Company has not taken any swaps to hedge the interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

Particulars	Nominal Amount	
	March 31, 2024	March 31, 2023
Fixed-rate instruments		
Financial liabilities	396.23	722.40
	396.23	**722.40**
Variable-rate instruments		
Financial liabilities	7,221.53	6,941.16
	7,221.53	**6,941.16**

Notes to Standalone Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or loss		Equity, net of tax	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
March 31, 2024				
Variable-rate instruments	36.11	(36.11)	36.11	(36.11)
Cash flow sensitivity	**36.11**	**(36.11)**	**36.11**	**(36.11)**
March 31, 2023				
Variable-rate instruments	34.71	(34.71)	34.71	(34.71)
Cash flow sensitivity	**34.71**	**(34.71)**	**34.71**	**(34.71)**

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

46 a. Balances of certain trade receivables, advances, trade payables and other liabilities are in the process of confirmation and/or reconciliation.

b. Realisable value of current assets, deposits, loans and advances in the ordinary course of business will be at least equal to the amount at which they have been stated in the financial statements.

c. Some of the fixed deposits and bank accounts are subject to confirmations though reconciled with available bank statements.

47 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed. The Group has incurred ₹23.09 (₹25.44) expenditure on CSR during the year.

	Particulars	March 31, 2024	March 31, 2023
i)	Amount required to be spent by the company during the year	23.09	25.44
ii)	Amount of expenditure incurred	23.09	25.44
iii)	Shortfall at the end of the year	-	-
iv)	Total of previous years shortfall	-	-
v)	Reason for shortfall	NA	NA
vi)	Nature of CSR activities	Promoting health care	Promoting poor children education & health care and employment enhancing vocation skills speacially among women
vii)	Details of related party transactions		
viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA	NA

Notes to Standalone Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

48 Segment Reporting

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the company falls within one broad business segment viz. "Textile" and substantially sale of the product is within the country. The Gross income and profit from the other segment is below the norms prescribed in Ind AS 108. Hence, the disclosure requirement of Ind AS 108 of 'Segment Reporting' is not considered applicable.

49 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The following table summarises the capital of the Company :

Particulars	March 31, 2024	March 31, 2023
Equity Share Capital	2,947.54	2,659.09
Other Equity	12,122.34	10,716.66
Total Equity	**15,069.88**	**13,375.75**
Non-Current Borrowings	5,345.95	5,706.58
Current maturities of Non-Current Borrowings	-	-
Current Borrowings	5,114.35	3,429.90
Total Debts	**10,460.30**	**9,136.48**
Less: Cash & Cash Equivalents	155.14	941.71
Net Debts	**10,305.16**	**8,194.77**

50 Ratios

The major financial ratios of the Company are disclosed below along with the reasons for variance:

Particulars	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reason for variance
Current Ratio	Current Assets	Current Liabilities	1.25	1.45	-13.5%	
Debt Equity Ratio	Total Borrowings + Lease Liabilities	Shareholder's Equity	0.72	0.71	1.3%	
Debt Service Coverage Ratio	Earnings for Debt Service = Net Profit after Taxes + Non-cash Operating Expenses + Interest + Other adjustment like loss on sale of assets	Debt Service = Interest + Lease Payments + Principal Repayments	1.14	1.82	-37.2%	Due to increase in repayment obligation
Return on Equity Ratio	Net Profit after Tax	Average Shareholder's Equity	2.73%	6.71%	-59.3%	Due to reduction in Net Profit as compared to last year
Inventory Turnover Ratio	Revenue from Operations	Average Inventory	5.87	6.31	-6.9%	

(₹ in lakhs)

Particulars	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reason for variance
Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	13.15	13.13	0.2%	
Trade Payables Turnover Ratio	Total Purchases	Average Trade Payables	8.23	8.97	-8.3%	
Net Capital Turnover Ratio	Revenue from Operations	Working Capital = Current Assets-Current Liabilities	14.45	9.43	53.2%	Due to reduction in Net working capital compared to last year
Net Profit Ratio	Net Profit	Revenue from Operations	1.15%	2.93%	-60.6%	Due to reduction in Net Profit as compared to last year
Return on Capital Employed	Earning before Finance Cost & Tax (EBIT)	Capital Employed = Tangible Net Worth + Total Debt + Lease Liability + Deferred Tax Liability	5.23%	10.73%	-51.3%	Due to reduction in Net Profit and increase in debt as compared to last year
Return on Investment	Return/Profit/Earnings	Average Investment	4.57%	2.08%	119.7%	Due to increase in income from investments

51 Other Disclosures

a. Disclosure as specified in Schedule V of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015:

Particulars	Balance as at March 31, 2024	Maximum outstanding of loan during the year
Hakoba Lifestyle Limited	196.02 (194.33)	196.02 (194.36)
Pioneer Realty Limited	3.62 (3.40)	3.62 (3.40)
Crystal Lace (I) Limited	131.95 (136.58)	136.58 (165.67)

Previous year figures have been given in bracket.

b. Disclosure relating to loans or security given by the Company as per requirements of section 186 (4) to the Companies Act, 2013:

Particulars	Amount	Purpose
Hakoba Lifestyle Limited	484.63	Investment in Equity Shares
Pioneer Realty Limited	5.00	
Crystal Lace (I) Limited	440.00	
Hakoba Lifestyle Limited	196.02	ICD given for business
Pioneer Realty Limited	3.62	
Crystal Lace (I) Limited	131.95	

(₹ in lakhs)

52 Earning per Equity Share

Particulars	Amount	Purpose
Net Profit for the year	388.29	870.54
Weighted Average Number of Equity Shares of ₹10 each (fully paid-up)	27,137,735	26,590,942
- Basic (₹)	1.43	3.27
- Diluted (₹)	1.39	3.27

53 Previous year figure have been regrouped / reclassified to conform to current years classifications.

As per our Report of even date
For **M B A H & CO**
Chartered Accountants
(Firm's Registration No.: 121426W)

Mahesh Bhageria
Partner
Membership Number: 034499

Place: Mumbai
Date: 27th May, 2024

For & on behalf of Board of Directors

HARSH VARDHAN BASSI
Managing Director
DIN 00102941

RAJ KUMAR SEKHANI
Chairman
DIN 00102843

DEEPAK SIPANI
Chief Financial Officer

AMI THAKKAR
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To,

The Members of Pioneer Embroideries Limited,

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Pioneer Embroideries Limited (hereinafter referred to as the "Holding Company"), its subsidiaries and its Associate Company (Holding Company, its subsidiaries and its Associate Company together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31st March, 2024, and the consolidated statement of Profit and Loss(including other comprehensive income), theconsolidated statement of changes in equity and theconsolidated Cash Flow Statementfor the year then ended,including a summary of significant accounting policies and other explanatory information(hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries / financial information and associate company, the aforesaid consolidated financial results:

(i) include the annual financial results of the following entities:

(a) Hakoba Lifestyle Limited
(b) Pioneer Realty Limited
(c) Crystal Lace (India) Limited
(d) Shree Ganesh Integrated Textile Park Private Limited (associate company)

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, of the state of affairs of the Group as at 31st March, 2024, of their consolidated profit, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing(SAs)specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements Section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

Key Audit Matter	How our audit addressed the key audit matter
The Company has expanded its manufacturing facilities of embroidery and yarn products at two locations. Interest cost of ₹133.35 lakh and ₹184.86 lakh has been capitalized to the Building and Plant & Machinery during the year.	We performed an understanding and evaluation of system of internal control over the capitalization of borrowing cost, with reference to identification and testing of key controls. As part of our audit, we checked: • The actual expenditure incurred. • The interest cost allocable to the projects till the machinery is put into use.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statement that give a true and fair view of the consolidated financial position, consolidated financial performance, total consolidated comprehensive income, changes in consolidated equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including theIndian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, have adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entitieswithin the Group to express an opinion on the consolidated financial statements.

We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The consolidated Financial Results include the audited Financial Results of one subsidiary, (before eliminating intercompany balances/transfers) namely, Crystal Lace (India) Limited whose Financial Statements and financial information reflect Group's share of total assets of ₹.1274.21Lakh as at 31st March, 2024 , Group's share of total revenue of Rs. 17.32 Lakh and Group's share of total net profit/ (loss) after tax of ₹. (31.38Lakh) for the year ended 31st March, 2024, as considered in the consolidated Financial Results, which have been audited by its independent auditor.

The Statement also includes the Group's share of net profit/ (loss) after tax of ₹. (1.38 lakh) (before eliminating intercompany transactions) and total comprehensive income of ₹. (1.38lakh) for the year ended 31st March 2024, in respect of one associate company, namely, Shree Ganesh Integrated Textile Park Private Limited, whose annual financial statements have not yet been audited. This financial information has been furnished to us by the Holding Company's management.

This financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures in respect of this subsidiaries, and our report in terms of sub-sections (3) and (11) of Section143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the auditors and the financial statement/ financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statement and other financial information of the subsidiaries, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The consolidated financial statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **"Annexure A".**

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014,as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;

      ii. the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. there is no amount that is required to be transferred to the Investor Education and Protection Fund by the Group.

      iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

      v. No dividend was proposed, declared and paid by the Company during the year.

      vi. Based on our examination which included test checks, and that performed by the auditor of one subsidiary, the group has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **M B A H & CO**
Chartered Accountants
(Firm Registration No. 121426W)

UDIN:24034499BKGXVZ5399
Place: Mumbai
Date: 27 May 2024

Mahesh Bhageria
Partner
Membership No. 034499

Annexure "A" to the Independent Auditors' Report of Even Date on the Consolidated Financial Statements of Pioneer Embroideries Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act.

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended 31st March,2024,we have audited the internal financial controls over financial reporting of **Pioneer Embroideries Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries, which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiariescovered under the Act, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting.

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiaries, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates tosubsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such entity incorporated in India.

Our opinion on the internal financial controls over financial reporting, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the information and explanations given by the management.

For **M B A H & CO**
Chartered Accountants
(Firm Registration No. 121426W)

UDIN:24034499BKGXVZ5399
Place: Mumbai
Date: 27 May 2024

Mahesh Bhageria
Partner
Membership No. 034499

Consolidated Balance Sheet

as at March 31, 2024

(₹ in lakhs)

Particulars		Note	As at March 31, 2024	As at March 31, 2023
I	**ASSETS**			
1	**Non-Current Assets**			
	Property, Plant & Equipments	3A	18,143.77	7,114.65
	Capital Work- in- Progress	3B	-	7,164.34
	Right of Use Assets	3C	409.94	375.44
	Other Intangible Assets	3D	19.41	19.70
	Financial Assets			
	(i) Investments	4	1,053.27	1,054.65
	(ii) Other Financial Assets	5	239.42	331.42
	Other Non-Current Assets	6	75.54	1,336.46
	Total Non-Current Assets		**19,941.35**	**17,396.66**
2	**Current Assets**			
	Inventories	7	6,742.53	5,351.10
	Financial Assets			
	(i) Investments	8	98.25	133.04
	(ii) Trade Receivables	9	3,022.23	2,683.52
	(iii) Cash and Cash Equivalents	10	64.28	681.58
	(iv) Bank Balances other than Cash and Cash Equivalents	11	93.33	263.59
	(v) Loans	12	353.01	252.09
	(vi) Other Financial Assets	13	37.40	38.81
	Current Tax Assets (Net)	14	115.37	156.99
	Other Current Assets	15	1,943.48	1,588.01
	Assets held for sale	16	803.86	803.86
	Total Current Assets		**13,273.74**	**11,952.59**
	TOTAL ASSETS		**33,215.09**	**29,349.25**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	Equity Share Capital	17	2,947.54	2,659.09
	Other Equity	18	11,606.66	10,216.95
			14,554.20	**12,876.04**
	Non Controlling Interest		43.09	60.48
	Total Equity		**14,597.29**	**12,936.52**
2	**Non-Current Liabilities**			
	Financial Liabilities			
	(i) Borrowings	19	5,525.95	5,888.48
	(ii) Lease Liabilities	20	321.50	325.09
	Provisions	21	537.05	511.72
	Deferred Tax Liabilities (Net)	22	572.92	505.52
	Other Non-Current Liabilities	23	1,347.68	1,042.44
	Total Non-Current Liabilities		**8,305.10**	**8,273.25**
3	**Current Liabilities**			
	Financial Liabilities			
	(i) Borrowings	24	5,114.35	3,429.90
	(ii) Lease Liabilities	25	70.10	44.20
	(iii) Trade Payables	26		
	a) Outstanding dues of Micro Enterprises and Small Enterprises		488.24	633.99
	b) Outstanding dues other than Micro Enterprises and Small Enterprises		2,648.87	2,080.61
	(iv) Other Financial Liabilities	27	765.46	770.43
	Provisions	28	19.27	16.46
	Other Current Liabilities	29	1,206.41	1,163.89
	Total Current Liabilities		**10,312.70**	**8,139.48**
	TOTAL EQUITY AND LIABILITIES		**33,215.09**	**29,349.25**
	Significant Accounting Policies and other Notes to the Consolidated Financial Statements.	1-54		

The accompanying Notes are an integral part of the Consolidated Financial Statements.

As per our Report of even date
For **M B A H & CO**
Chartered Accountants
(Firm's Registration No.: 121426W)

For & on behalf of Board of Directors

Mahesh Bhageria
Partner
Membership Number: 034499

HARSH VARDHAN BASSI
Managing Director
DIN 00102941

RAJ KUMAR SEKHANI
Chairman
DIN 00102843

Place: Mumbai
Date: 27th May, 2024

DEEPAK SIPANI
Chief Financial Officer

AMI THAKKAR
Company Secretary

Consolidated Statement of Profit & Loss

for the Year Ended March 31, 2024

(₹ in lakhs)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
Revenue from Operations	30	33,618.58	29,664.26
Other Income	31	398.17	311.87
Total Income		**34,016.75**	**29,976.13**
Expenses			
Cost of Materials Consumed	32	21,400.86	18,040.17
Purchases of Stock-in-Trade		189.46	195.03
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	33	(1,538.01)	(97.43)
Employee Benefits Expenses	34	3,816.09	3,438.92
Finance Costs	35	926.41	364.14
Depreciation and Amortization Expenses	3	1,253.82	846.11
Other Expenses	36	7,541.66	6,911.01
Total Expenses		**33,590.29**	**29,697.95**
Profit before Exceptional and Extraordinary Items and Tax		**426.46**	**278.18**
Exceptional Items - Income/(Loss) (Net)	37	-	912.19
Profit before Share of Profit/(Loss) of Associates		**426.46**	**1,190.37**
Share of Profit/(Loss) of Associates		(1.38)	(1.36)
Profit before Tax		**425.08**	**1,189.01**
Tax Expenses	38		
Current Tax		-	23.88
Income Tax for earlier years		15.60	1.68
Deferred Tax Charge / (Credit)		54.55	337.01
Profit for the year (A)		**354.93**	**826.44**
Other Comprehensive Income			
Items that will not reclassified to Profit or Loss			
Remeasurement of defined benefit plan		46.20	34.56
Income tax impact on above item		(12.85)	(9.61)
Other Comprehensive Income for the year (B)		**33.35**	**24.95**
Total Comprehensive Income for the year (A+B)		**388.28**	**851.39**
Profit / (Loss) for the year attributable to:			
Owners of the Company		372.32	849.51
Non controlling interests		(17.39)	(23.07)
Other Comprehensive Income attributable to:			
Owners of the Company		33.35	24.95
Non controlling interests		-	-
Total Comprehensive Income attributable to:			
Owners of the Company		405.67	874.46
Non controlling interests		(17.39)	(23.07)
Earning per Equity Share of ₹10 each:	53		
(1) Basic (₹)		1.31	3.11
(2) Diluted (₹)		1.27	3.11
Significant Accounting Policies and other Notes to the Consolidated Financial Statements	1-54		

The accompanying Notes are an integral part of the Consolidated Financial Statements.

As per our Report of even date
For **M B A H & CO**
Chartered Accountants
(Firm's Registration No.: 121426W)

For & on behalf of Board of Directors

Mahesh Bhageria
Partner
Membership Number: 034499

HARSH VARDHAN BASSI
Managing Director
DIN 00102941

RAJ KUMAR SEKHANI
Chairman
DIN 00102843

Place: Mumbai
Date: 27th May, 2024

DEEPAK SIPANI
Chief Financial Officer

AMI THAKKAR
Company Secretary

Consolidated Statement of Cash Flow
for the Year Ended March 31, 2024

(₹ in lakhs)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A.	**Cash Flow From Operating Activities :**		
	Net Profit before Extraordinary Items and Tax	425.08	1,189.01
	Adjustment for :		
	Share of Profit/(Loss) of Associates	1.38	1.36
	Depreciation and Amortisation Expense	1,253.82	846.11
	Loss/(Profit) on sale/discard of Property, Plant and Equipment (net)	(22.44)	(1,231.08)
	Interest Income	(61.58)	(35.35)
	Dividend Received	(2.40)	(1.26)
	Profit on Sale of Investments	-	(2.51)
	Finance Costs	926.41	364.14
	Employee ESOP Compensation	-	(11.37)
	Provision for Expected Credit Losses	15.95	45.49
	Amortization of Government Grant	(223.26)	-
	Operating Profit before Working Capital Changes	**2,312.96**	**1,164.54**
	Changes in Working Capital:		
	Adjustments for :		
	Decrease/(Increase) in Inventories	(1,391.43)	(620.57)
	Decrease/(Increase) in Trade and Other Receivables	(446.45)	(234.38)
	Increase/(Decrease) in Trade and Other Payables	654.08	750.06
	Cash generated from Operation	**1,129.16**	**1,059.65**
	Net Income Tax (paid) / refunds	26.02	(32.40)
	Net Cash from Operating Activities	**1,155.18**	**1,027.25**
B.	**Cash Flow From Investing Activities :**		
	Purchases of Property, Plant and Equipments and Intangible Assets (including capital advance)	(3,393.64)	(6,950.06)
	Proceeds from Sales of Property, Plant & Equipments (net of Advance)	23.64	1,408.54
	Purchase of Non-Current Investments (net)	-	(1,055.99)
	Sale /(Purchase)of Current Investments (net)	34.79	(26.91)
	Inter corporate deposit given / recovered (net)	(100.92)	83.48
	Interest Received	61.58	35.35
	Dividend Received	2.40	1.26
	Net Cash from / (used) in Investing Activities	**(3,372.15)**	**(6,504.33)**
C.	**Cash Flow From Financing Activities :**		
	Proceeds from Issue of Equity Share Capital & Share Warrants (including Share Premium)	1,272.49	-
	Proceeds from Non-Current Borrowing	1,441.15	6,410.97
	Repayment of Non-Current Borrowing	(1,251.43)	(729.58)
	Net increase / (decrease) in Current Borrowings	1,132.20	832.32
	Payment of Lease Liability	(72.97)	(50.98)
	Dividend Paid	-	(77.98)
	Finance Costs	(921.77)	(363.29)
	Net Cash used in Financing Activities	**1,599.67**	**6,021.46**
	Net increase / (decrease) in cash and Cash Equivalents (A+B+C)	**(617.30)**	**544.38**
	Add: Opening Cash and Cash Equivalent	681.58	137.20
	Closing Cash and Cash Equivalent	**64.28**	**681.58**

Note:
The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7 -Statement of Cash Flows.

As per our Report of even date
For **M B A H & CO**
Chartered Accountants
(Firm's Registration No.: 121426W)

Mahesh Bhageria
Partner
Membership Number: 034499

Place: Mumbai
Date: 27th May, 2024

For & on behalf of Board of Directors

HARSH VARDHAN BASSI
Managing Director
DIN 00102941

RAJ KUMAR SEKHANI
Chairman
DIN 00102843

DEEPAK SIPANI
Chief Financial Officer

AMI THAKKAR
Company Secretary

Consolidated Statement of Change in Equity
for the Year Ended March 31, 2024

(₹ in lakhs)

(a) Equity Share Capital :

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	**26,590,942**	**2,659.09**	**26,590,942**	**2,659.09**
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	**26,590,942**	**2,659.09**	**26,590,942**	**2,659.09**
Changes in Equity Share Capital during the year	2,884,500	288,45	-	-
Balance at the end of the year	**29,475,442**	**2,947.54**	**26,590,942**	**2,659.09**

(b) Other Equity :

Particulars	Reserves and Surplus				Share Warrants	Non Controlling Interest	Total
	Security Premium Reserve	Revaluation Reserve	Retained Earnings	Share Based Payment Reserve			
Balance at April 01, 2022	**3,999.17**	**363.61**	**5,003.46**	**67.39**	**-**	**83.55**	**9,517.18**
Changes in Accounting Policy or prior period errors	-	-	-	-	-	-	-
Restated balance as at April 01, 2022	**3,999.17**	**363.61**	**5,003.46**	**67.39**	**-**	**83.55**	**9,517.18**
Profit for the year	-	-	849.51	-	-	(23.07)	826.44
Other Comprehensive Income for the year (net of tax)	-	-	24.95	-	-	-	24.95
Total Comprehensive Income for the year	**-**	**-**	**874.46**	**-**	**-**	**(23.07)**	**851.39**
Dividend Paid	-	-	(79.77)	-	-	-	(79.77)
Recognition of Share based payments	-	-	-	(11.37)	-	-	(11.37)
Balance at March 31, 2023	**3,999.17**	**363.61**	**5,798.15**	**56.02**	**-**	**60.48**	**10,277.43**
Changes in Accounting Policy or prior period errors	-	-	-	-	-	-	-
Restated balance as at April 01, 2023	**3,999.17**	**363.61**	**5,798.15**	**56.02**	**-**	**60.48**	**10,277.43**
Profit / (Loss) for the year	-	-	372.32	-	-	(17.39)	354.93
Other Comprehensive Income for the year (net of tax)	-	-	33.35	-	-	-	33.35
Total Comprehensive Income for the year	**-**		**405.67**	**-**	**-**	**(17.39)**	**388.28**
Issued during the year					1,219.05		1,219
On issuance of Equity Shares	893.44	-	-	-	(1,075.00)	-	(181.56)
Recognition of Share based payments	-	-	-	(53.45)	-	-	(53.45)
Balance at March 31, 2024	**4,892.61**	**363.61**	**6,203.82**	**2.57**	**144.05**	**43.09**	**11,649.75**

The accompanying Notes are an integral part of the Consolidated Financial Statements.

As per our Report of even date
For **M B A H & CO**
Chartered Accountants
(Firm's Registration No.: 121426W)

Mahesh Bhageria
Partner
Membership Number: 034499

Place: Mumbai
Date: 27th May, 2024

For & on behalf of Board of Directors

HARSH VARDHAN BASSI
Managing Director
DIN 00102941

RAJ KUMAR SEKHANI
Chairman
DIN 00102843

DEEPAK SIPANI
Chief Financial Officer

AMI THAKKAR
Company Secretary

1 Reporting Entity

The Consolidated Financial Statements comprise financial statements of Pioneer Embroideries Limited ("the Company") and its subsidiaries (collectively, "the Group") for the year ended March 31, 2024. The Company is a public limited company domiciled and incorporated in India and having registered office at Unit 101B, 1st Floor, Abhishek Premises, Plot No. C5-6, Dalia Industrial Estate, Off. New Link Road, Andheri (West), Mumbai-400 058. Equity shares of the Company are listed in India on the Bombay Stock Exchange Limited (BSE), National Stock Exchange Limited (NSE) and Calcutta Stock Exchange Limited (CSE).

The Group is a manufacturer of Special Polyester Filament Yarn (SPFY), Embroidery & Lace Products. It has four manufacturing units located at Kala-amb (Himachal Pradesh) for SPFY and Sarigam (Gujarat), Naroli (Daman & Nagar Haveli), Degaon (Maharashtra) for Embroidery and Laces.

These financial statements were authorised for issue by the Board of Directors in their meeting held on 27th May, 2024.

2 Material Accounting Policies

The Group has consistently applied the following accounting policies to all periods presented in the Consolidated Financial Statements.

2.1 Basis of Preparation

The Consolidated Financial Statements of the Group comply in all material aspects with Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other accounting principles generally accepted in India.

Accounting Policies have been consistently applied except where a newly issued accounting standards is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated Financial Statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intra group transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intra group losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Appropriate adjustments for deferred taxes are made for temporary differences that arise from the elimination of unrealised profits and losses from intra group transactions or undistributed earnings of Group's entity included in consolidated profit and loss, if any.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognized in accordance with the requirements of Ind AS 12, 'Income Taxes' and Ind AS 19, 'Employee Benefits', respectively.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is recorded as a gain in other comprehensive income and accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Consolidated Statement of Profit and Loss in the period in which they are incurred.

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

2.2 Basis of Measurement

The financial statements have been prepared under the historical cost convention on accrual basis and the following items, which are measured on following basis on each reporting date:

Notes to Consolidated Financial Statements
for the Year Ended March 31, 2024

- Certain financial assets and liabilities that is measured at fair value.

- Defined benefit liability/(assets): present value of defined benefit obligation less fair value of plan assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

- **Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- **Level 3** inputs are unobservable inputs for the asset or liability.

2.3 Functional and Presentation Currency

These financial statements are presented in Indian National Rupee ('INR'), which is the Group's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

2.4 Use of Judgements and Estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:

- Classification of leases into finance and operating lease.

- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Assumptions and Estimation Uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the every period ended is included below:

- Measurement of defined benefit obligations: key actuarial assumptions;
  - Recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used;

- Impairment test: key assumptions underlying recoverable amounts;

- Useful life and residual value of Property, Plant and Equipment;

- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

- Impairment of financial assets: key assumptions used in estimating recoverable cash flows.

2.5 Classification of Assets and Liabilities as Current and Non-Current

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset/liabilities is treated as current when it is:

- Expected to be realised/settled (liabilities) or intended to be sold or consumed in normal operating cycle;

- Held primarily for the purpose of trading;

- Expected to be realised/settled within twelve months after the reporting period, or

- Cash and Cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Notes to Consolidated Financial Statements
for the Year Ended March 31, 2024

All other assets/liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets/liabilities.

The operating cycle is the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents.

2.6 Property, Plant and Equipment (Fixed Assets)

Recognition and Measurement

Items of property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment loss, if any. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred upto the date when the assets are ready to use. Capital work in progress includes cost of assets at sites, construction expenditure and interest on the funds deployed less any impairment loss, if any.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate items (major components) of property, plant and equipment. Any gain on disposal of property, plant and equipment is recognised in Statement of Profit and loss.

Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that there is an increase in the future economic benefits associated with the expenditure will flow to the Group.

Depreciation

Depreciation on property, plant & equipment is calculated on Straight Line Method using the rates arrived at on the basis of estimated useful lives given in Schedule II of the Companies Act, 2013 except in respect of certain Plant & Machineries in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc..

Depreciation on additions to or on disposal of assets is calculated on pro-rata basis. Leasehold land is being amortised over the period of lease tenure. Right of use assets is amortised over the lease period or estimated useful life whichever is less. Additions on rented premises are being amortised over the period of rent agreement.

Depreciation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively.

Individual assets costing below ₹5,000 are fully depreciated in the year of purchase.

Capital work-in-progress

Expenditure incurred during the construction period, including all expenditure direct and indirect expenses, incidental and related to construction and not ready for their intended use, is carried forward at cost and on completion, the costs are allocated to the respective property, plant and equipment.

De-recognition

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

2.7 Intangible Assets

Intangible Assets (Other than Goodwill) acquired separately are stated at cost less accumulated amortization and impairment loss, if any. Intangible assets are amortized on straight line method basis over the estimated useful life. Estimated useful life of the Software is considered as 10 years.

Amortisation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

2.8 Non-current Assets held for Sale

Non-current assets are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Notes to Consolidated Financial Statements
for the Year Ended March 31, 2024

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

2.9 Impairment of Non-financial Assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the recoverable amount of assets is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Unit (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment loss in respect of assets other than goodwill is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years. A reversal of impairment loss is recognised immediately in the Statement of Profit & Loss.

2.10 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction of qualifying assets that necessarily takes substantial period of time to get ready for its intended use are capitalised as part of the cost of such assets. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortised on the basis of the Effective Interest Rate (EIR) method over the term of the loan.

2.11 Foreign Currency Transactions

Transactions in foreign currencies are recorded by the Group at their respective functional currency at the exchange rates prevailing at the date of the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rates prevailing at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss with the exception of the following:

- exchange differences on foreign currency borrowings included in the borrowing cost when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of initial transactions. Non-monetary items measure at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

2.12 Employee Benefits

Short term employee benefits

Short-term employee benefits are expensed in the year in which the related services are provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Employee benefits in the form of Provident Fund are defined as contribution plan and charged as expenses during the period in which the employees perform the services.

Defined benefit plans

For defined benefit retirement, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using yield of government bonds.

The effect of the remeasurement changes (comprising actuarial gains and losses) to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in other equity and will not be reclassified to the Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item employee benefits expense.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Other long-term employee benefits

The Group has long term employment benefit plans i.e. accumulated leave. Accumulated leave is encashed to eligible employees at the time of retirement. The liability for accumulated leave, which is a defined benefit scheme, is provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

2.13 Revenue Recognition

The Group recognises revenue from sale of goods when;

i) the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;

ii) the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

iii) the amount of revenue can be measured reliably;

iv) it is probable that the economic benefits associated with the transaction will flow to the Group; and

v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue (other than sale of goods) is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Claim on insurance companies, interest and others, where quantum of accrual cannot be ascertained with reasonable certainty, are accounted for on acceptance basis.

Revenue represents net value of goods and services provided to customers after deducting for certain incentives including, but not limited to discounts, volume rebates, incentive programs etc. Sales exclude Goods and Services Tax.

Interest other than interest on overdue debts from customers, is recognised on time proportion basis.

Dividends are recognised at the time the right to receive payment is established.

2.14 Inventories

Inventories are valued at lower of cost and net realisable value except waste/scrap which is valued at net realisable value. Cost of finished goods and stock in process is determined by taking cost of purchases, material consumed, labour and related overheads. Cost of raw materials and stores & spare parts is computed on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

2.15 Provisions, Contingent Liabilities and Contingent Assets

Based on the best estimate provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation at reporting date.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote.

Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

2.16 Measurement of Fair Value

a) Financial instruments

The estimated fair value of the Group's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

b) Marketable and non-marketable equity securities

Fair value for quoted securities is based on quoted market prices as of the reporting date. Fair value for unquoted securities is calculated based on commonly accepted valuation techniques utilizing significant unobservable data, primarily cash flow based models. If fair value cannot be measured reliably unlisted shares are recognized at cost.

Notes to Consolidated Financial Statements
for the Year Ended March 31, 2024

2.17 Financial Instruments

a. Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classifications

The Group classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Financial assets at fair value through Other Comprehensive Income (FVOCI)

Financial assets with contractual cash flow characteristics that are solely payments of principal and interest and held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets are classified to be measured at FVOCI.

Financial assets at fair value through profit and loss (FVTPL)

Any Financial assets, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the Group may elect to classify a Financial assets, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity Instruments

All equity instruments in scope of Ind AS 109 are measured at fair value. On initial recognition an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

All other Financial Instruments are classified as measured at FVTPL.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in the Statement of Profit and Loss.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Group applies the simplified approach as permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit and loss include financial liabilities designated upon initial recognition as at fair value through profit and loss.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to the Statement of Profit and Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Derecognition of financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

2.18 Income Tax

Income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in Equity or in Other Comprehensive Income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Group:

a) Has a legally enforceable right to set off the recognised amounts; and

b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised

for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

2.19 Leases

The Group as lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

Lease Liability

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Right of Use (ROU) Assets

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

The ROU assets are not presented as a separate line in the Balance Sheet but presented below similar owned assets as a separate line in the PPE note under "Notes forming part of the Financial Statement".

The Group applies Ind AS 36- Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'property, plant and equipment'.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

2.20 Earning per share

The basic EPS is computed by dividing the profit after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year

For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.21 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

2.22 Government Grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to the purchase of property, plant and equipment are included in noncurrent liabilities as deferred income and are credited to the statement of Profit and Loss on a straight – line basis over the expected lives of related assets and presented within other income.

2.23 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company has been identified as being the chief operating decision maker by the Management of the Group. The Business activity of the Group falls within one business segment viz "Textile".

2.24 Standard issued but not yet effective

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. There is no such notification which would have been applicable from April 01, 2024.

3A. Property, Plant and Equipments

(₹ in lakhs)

Particulars	Tangible Assets									
	Freehold land	Buildings	Plant and Equipment	Vehicles	Furniture and Fixtures	Office Equipment	Computers	Electrical Installations	Borewell	Total
Cost										
As at April 01, 2022	**325.69**	**2,969.90**	**7,860.72**	**149.70**	**58.45**	**38.44**	**69.35**	**521.95**	**5.37**	**11,999.57**
Additions	-	0.66	562.82	39.04	0.40	15.17	5.91	7.17	-	631.17
Disposals	49.71	167.19	44.67	3.08	-	0.32	0.62	19.61	0.07	285.27
As at March 31, 2023	**275.98**	**2,803.37**	**8,378.87**	**185.66**	**58.85**	**53.29**	**74.64**	**509.51**	**5.30**	**12,345.47**
Additions	1.76	1,791.82	9,699.64	69.76	28.61	9.90	9.99	606.26	0.75	12,218.48
Disposals	-	-	40.07	-	-	-	0.05	-	-	40.12
As at March 31, 2024	**277.74**	**4,595.19**	**18,038.43**	**255.42**	**87.46**	**63.19**	**84.58**	**1,115.77**	**6.05**	**24,523.82**
Depreciation										
As at April 01, 2022	**-**	**796.02**	**3,200.40**	**63.41**	**44.70**	**25.55**	**58.18**	**372.46**	**0.28**	**4,561.00**
Additions	-	130.36	586.48	18.94	2.57	6.11	6.63	25.47	1.06	777.62
Disposals	-	48.14	36.10	2.94	-	0.32	0.62	19.61	0.07	107.80
As at March 31, 2023	**-**	**878.24**	**3,750.78**	**79.41**	**47.27**	**31.34**	**64.19**	**378.32**	**1.27**	**5,230.82**
Additions	-	144.11	925.14	22.67	4.10	7.72	7.52	66.65	1.10	1,179.01
Disposals	-	-	29.72	-	-	-	0.05	-	-	29.77
As at March 31, 2024	**-**	**1,022.35**	**4,646.20**	**102.08**	**51.37**	**39.06**	**71.65**	**444.97**	**2.37**	**6,380.06**
Net block										
As at March 31, 2023	275.98	1,925.13	4,628.09	106.25	11.58	21.95	10.45	131.19	4.03	7,114.65
As at March 31, 2024	**277.74**	**3,572.83**	**13,392.24**	**153.34**	**36.09**	**24.13**	**12.93**	**670.80**	**3.67**	**18,143.77**

3B. Capital Work-in-Progress

As at March 31, 2023	7,164.34
As at March 31, 2024	**-**

(₹ in lakhs)

3C. Right of use Assets (Refer Note 40)

Particulars	Leasehold Land	Leased Property	Total
Cost			
As at April 01, 2022	**24.81**	**406.18**	**430.99**
Additions	-	-	-
Additions as per IND AS 116 (Lease)	-	75.61	75.61
Disposals	-	23.97	23.97
As at March 31, 2023	**24.81**	**457.82**	**482.63**
Additions	-	-	-
Additions as per IND AS 116 (Lease)	-	353.24	353.24
Disposals	-	327.14	327.14
As at March 31, 2024	**24.81**	**483.92**	**508.73**
Amortisation			
As at April 01, 2022	**1.78**	**65.65**	**67.43**
Additions	0.29	63.44	63.73
Deletions	-	23.97	23.97
As at March 31, 2023	**2.07**	**105.12**	**107.19**
Additions	0.30	69.63	69.93
Disposals	-	78.33	78.33
As at March 31, 2024	**2.37**	**96.42**	**98.78**
Net block			
As at March 31, 2023	22.74	352.70	375.44
As at March 31, 2024	**22.44**	**387.50**	**409.95**

3D. Intangible Assets

Particulars	Computer Software	Hakoba Brand	Total
Cost			
As at April 01, 2022	**72.25**	**0.05**	**72.30**
Additions	-	-	-
Disposals	0.08	-	0.08
As at March 31, 2023	**72.17**	**0.05**	**72.22**
Additions	4.60	-	4.60
Disposals	-	-	-
As at March 31, 2024	**76.77**	**0.05**	**76.82**
Depreciation			
As at April 01, 2022	**47.85**	**-**	**47.85**
Additions	4.76	-	4.76
Disposals	0.08	-	0.08
As at March 31, 2023	**52.53**	**-**	**52.53**
Additions	4.88	-	4.88
Disposals	-	-	-
As at March 31, 2024	**57.42**	**-**	**57.42**
Net block			
As at March 31, 2023	19.64	0.05	19.70
As at March 31, 2024	**19.36**	**0.05**	**19.41**

3.1 a) Depreciation is provided on fixed assets over the remaining useful life in accordance with the provisions of Schedule II of the Act.

b) Property, Plant and Equipment given as security for borrowings (Refer note 19 & 24).

c) Certain machinery at SPFY unit are hypothecated to Director of Industries Himachal Pradesh towards capital subsidy received from them.

d) During the year, borrowing cost amounting to ₹261.09 (₹ 71.92) directly attributable to the acquisition of fixed assets are capitalized by the Company and work in progress as part of the cost of the assets up to the date of such asset is ready for its intended use.

(₹ in lakhs)

3.2 a) Capital work-in-progress ageing schedule for the year ended March 31, 2024:

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
	-	-	-	-	-

4 Non- Current Investment

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Quoted Investments				
In Other Entities (measured at fair value through profit and loss)				
RLF Limited	1,000	0.00	1,000	0.00
(Equity shares of Face Value of ₹10 each)				
(Cost ₹0.06 lakh less provision made ₹0.06 lakh)				
Padmini Technologies Limited (listing suspended)	68,939	0.00	68,939	0.00
(Equity shares of Face Value of ₹10 each)				
(Cost ₹17.56 lakh less provision made ₹17.56 lakh)				
Unquoted Investments				
In Other Entities				
Shree Ganesh Integrated Textile Park Private Limited	10,560,000	1,053.26	10,560,000	1,054.64
(Equity shares of Face Value of ₹10 each)				
The Greater Bombay Co-op. Bank Limited	40	0.01	40	0.01
(Equity shares of Face Value of ₹25 each)				
	10,629,979	**1,053.27**	**10,629,979**	**1,054.65**

a. None of the above investments are listed on any stock exchange in India or outside India.
b. Aggregate amount of investments are given below:

Aggregate cost of unquoted investments		1,070.89		1,072.27
Aggregated amount of impairment in value of investments		17.62		17.62

5 Other Non-Current Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Security Deposits	199.93	186.00
Fixed Deposit in Banks and NSC with more than 12 months maturity	39.49	145.42
	239.42	**331.42**

(₹ in lakhs)

6 Other Non-Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Capital Advances	75.54	1,336.46
	75.54	**1,336.46**

7 Inventories
(Valued at lower of cost or net realisable value as certified by Management)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw Materials	1,292.64	1,369.41
Work-in-Progress	1,342.16	756.32
Finished Goods	3,681.88	2,729.71
Store & Spares	354.19	434.23
Packing Material	71.66	61.43
	6,742.53	**5,351.10**
Inventories include Goods in transit as under:		
Finished Goods	329.01	145.31
Raw Material	-	332.26

7.1 Inventories are hypothecated to secure borrowings. (Refer Note 19 & 24).

8 Current Investment

	Particulars	As at March 31, 2024		As at March 31, 2023	
		Number of shares	Amount	Number of shares	Amount
A	**Investment in Equity instruments**				
	Unquoted, fully paid-up				
	National Stock Exchange of India Ltd.	3,000	98.25	3,000	98.25
	(Equity shares of Face Value of ₹1 each)				
B	**Investment in Government Bonds (Quoted)**				
	9.20% Government Stock 2030	-	-	31,000	34.79
		3,000	**98.25**	**34,000**	**133.04**
	Aggregate book value of quoted investments		-		34.79
	Aggregate market value of quoted investments		-		36.58
	Aggregate book value of unquoted investments		98.25		98.25
	Aggregated amount of impairment in value of investments		-		-

(₹ in lakhs)

9 Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured		
Considered Good	2,933.33	2,727.10
Having significant increase in credit risks	304.71	163.89
Credit Impaired	79.37	71.76
	3,317.41	**2,962.75**
Less: Allowance for Credit Losses	(295.18)	(279.23)
	3,022.23	**2,683.52**

9.1 Trade receivables include outstanding from related party enterprise of ₹77.92 (₹94.09).

9.2 Trade receivables are hypothecated to secure borrowings (Refer Note 19 & 24).

Trade Receivables ageing schedule as at 31st March, 2024:

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables -considered good	1,882.26	529.75	434.94	49.50	54.55	287.04	**3,238.04**
Undisputed Trade receivables -credit impaired	-	-	-	7.60	7.10	64.67	**79.37**
Disputed Trade Receivables - considered good	-	-	-	-	-	-	**-**
Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	**-**
	1,882.26	**529.75**	**434.94**	**57.10**	**61.65**	**351.71**	**3317.41**
Less: Allowance for Credit Losses							**(295.18)**
Total Trade Receivables							**3,022.23**

Trade Receivables ageing schedule as at 31st March, 2023:

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables -considered good	1,548.29	715.52	212.30	54.82	57.57	302.49	**2,890.99**
Undisputed Trade receivables -credit impaired	-	-	-	0.55	6.55	64.66	**71.76**
Disputed Trade Receivables - considered good	-	-	-	-	-	-	**-**
Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	**-**
	1,548.29	**715.52**	**212.30**	**55.37**	**64.12**	**367.15**	**2,962.75**
Less: Allowance for Credit Losses							**(279.23)**
Total Trade Receivables							**2,683.52**

Notes to Consolidated Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

10 Cash & Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks - In Current Accounts	50.47	670.33
Cash in hand	13.81	11.25
	64.28	**681.58**

11 Bank Balances other than Cash & Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed Deposit in Banks with less than 12 months maturity	93.33	263.59
	93.33	**263.59**

12 Current Loans

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Inter Corporate Deposits		
Associates Concerns		
Shree Ganesh Integrated Textile Park Pvt. Ltd.	353.01	252.09
	353.01	**252.09**

13 Other Current Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Other Loans and Advances		
Others		
Loan & Advances to Staff	37.40	38.81
	37.40	**38.81**

14 Current Tax Assets (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
Income Tax Refund Receivable (net)	115.37	156.99
	115.37	**156.99**

Notes to Consolidated Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

15 Other Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Advances recoverable in cash or in kind	816.63	811.35
Prepaid Expenses	200.60	121.78
Accrued Export and Other Incentives	74.71	88.17
Other Advances and Balances	851.54	566.71
	1,943.48	**1,588.01**

15.1 Advance recoverable include outstanding from Associate Concern of ₹544.85 (₹549.85).

16 Assets held for sale

Particulars	As at March 31, 2024	As at March 31, 2023
Leasehold Land	695.66	695.66
Building	108.20	108.20
	803.86	**803.86**

17 Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity Shares of ₹10 each	50,000,000	5,000.00	50,000,000	5,000.00
	50,000,000	**5,000.00**	**50,000,000**	**5,000.00**
Issued, Subscribed & Paid up				
Equity Shares of ₹10 each	29,475,442	2,947.54	26,590,942	2,659.09
	29,475,442	**2,947.54**	**26,590,942**	**2,659.09**

(₹ in lakhs)

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the financial year:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
As at the beginning of the financial year	26,590,942	2,659.09	26,590,942	2,659.09
Add: Issued during the year	2,884,500	288.45	-	-
As at the end of the financial year	**29,475,442**	**2,947.54**	**26,590,942**	**2,659.09**

Issue of Shares:

The Company has issued 25,00,000 equity shares of ₹10 each at a premium of ₹33 each during the year on preferential basis on 2nd February, 2024 on conversion of Share Warrants issued on 28th September, 2023.

The Company has also issued 3,84,500 equity shares of ₹10 each to the employees of the Company under PEL ESOP Scheme.

Rights, preferences and restrictions attached to Equity Shares:

The Company has one class of Equity Shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In case of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Details of Equity Shareholding more than 5% in the Company on reporting date:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Pioneer E-Com Fashions LLP	5,536,492	18.78	5,536,492	20.82
Raj Kumar Sekhani	3,164,760	10.74	3,164,760	11.90
Tano Investment Opportunities Fund	2,500,000	8.48	-	-

Shareholding of Promoters:

Promoter Name	As at March 31, 2024			As at March 31, 2023		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Pioneer E-Com Fashions LLP	5,536,492	18.78	(2.04)	5,536,492	20.82	No Change
Raj Kumar Sekhani	3,164,760	10.74	(1.16)	3,164,760	11.90	No Change
Bimladevi Sekhani	23,073	0.08	(0.01)	23,073	0.09	No Change
Manak Chand Baid Jt. Raj Kumar Sekhani	14,000	0.05	-	14,000	0.05	No Change

(₹ in lakhs)

18 Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
Share Premium Reserve		
Opening Balance	3,999.17	3,999.17
Add: During the year	893.44	-
Balance as at the end of the year	**4,892.61**	**3,999.17**
Share Based Payment Reserve		
Opening Balance	56.02	67.39
Add: Recognition of Share based payments during the year (Refer Note 45)	(53.45)	(11.37)
Balance as at the end of the year	**2.57**	**56.02**
Revaluation Reserve		
Opening Balance	363.61	363.61
Add: During the year	-	-
Balance as at the end of the year	**363.61**	**363.61**
Retained Earnings		
Opening Balance	5,798.15	5,003.46
Add : Other Comprehensive Income (including tax thereon)	33.35	24.95
Add: Profit for the year	372.32	849.51
	6,203.82	**5,877.92**
Less: Dividend paid	-	(79.77)
Balance as at the end of the year	**6,203.82**	**5,798.15**
Share Warrants	144.05	-
Non-Controlling Interest	43.09	60.48
	187.14	**60.48**
	11,649.75	**10,277.43**

Nature and purpose of other reserves/ other equity

Securities Premium

This Reserve represents premium received on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Share Based Payment Reserve:

This reserve relates to stock options granted to employees under "Employee Stock Option Plan 2018 Scheme (ESOP)" and shall be transferred to securities premium account/retained earnings on exercise/cancellation of options.

Retained Earnings

Retained earnings are profits earned by the Company after transfer to general reserve and payment of dividend to shareholders.

(₹ in lakhs)

Share Warrants

The Company has issued and alloted 38,40,000 share warrants of ₹10 each at a premium of ₹33 each during the year on preferential basis on 28th September, 2023 pursuant to shareholders' approval dated 12th September, 2023. Out of this, 25,00,000 share warrants has been converted into equity shares on 2nd February, 2024 after receipt of full payment.

19 Non-Current Financial Liabilities -Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured Loans		
Term Loans from Banks/Institutions	4,927.75	5,414.94
Term Loan from Other	2,151.73	1,472.92
Unsecured Loans		
Related Party	-	1.90
Others	180.00	180.00
	7,259.48	**7,069.76**
Current Maturity of Borrowings disclosed under the head "Current Financial Liabilities-Borrowings" (Refer Note 24)	(1,733.53)	(1,181.28)
	5,525.95	**5,888.48**

19.1 Term Loan from bank of ₹4,504.24 are secured by first pari passu charge over fixed assets of the Company both present & future and are further secured by second charge over current assets of the Company, by personal guarantee of Chairman of the Company and pledge of company's certain shares by promoter and promoter group firms. This loan is repayable in monthly instalments ending October 2028 and presently carries interest @11.80% p.a..

19.2 Term Loans from banks of ₹253.99 are secured by first pari passu charge over current assets of the Company and further secured by second pari passu charge over fixed assets of the Company both present & future with other term lenders, by personal guarantee of the Chairman of the Company.

Out of these loan, i) ₹72.59 is repayable in monthly instalments ending October 2024 and carries interest @9.25% p.a..; ii) ₹48.55 is repayable in monthly instalments ending October 2024 and carries interest @7.5% p.a.. & iii) ₹132.85 is repayable in monthly instalments ending March 2027 and carries interest @6.8% p.a

19.3 Term Loan from bank of ₹65.14 is secured by exclusive charge on certain plant & machinery purchased under ATUFS. This loan is repayable in monthly instalments ending November 2024 and carries interest @5.60% p.a..

19.4 Term Loan from Banks of ₹104.38 are secured by hypothecation of respective vehicles financed.

19.5 Term Loan from Oerlikon Barmag of ₹988.64 of Foreign Currency Term Loan is secured by exclusive charge on certain imported machineries. This loan is repayable in half yearly instalments ending February 2026 and presently carries interest @4.50% p.a.

19.6 Term Loan from Tata Capital of ₹931.40 is secured by exclusive charge on certain machineries. This loan is repayable in monthly instalments ending September 2028 and presently carries interest @12% p.a.

19.7 Term Loan from others of ₹231.69 is secured by assignment of Keyman Insurance Policy and carries interest @9.5%.

19.8 All unsecured loans are interest free and carry no repayment schedule. These loans are subject to confirmation and reconciliation.

(₹ in lakhs)

20 Lease Liability

Particulars	As at March 31, 2024	As at March 31, 2023
Finance lease obligations	391.60	369.29
	391.60	**369.29**
Current Maturity of Lease (Refer Note 25)	(70.10)	(44.20)
	321.50	**325.09**

21 Long Term Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits	537.05	511.72
	537.05	**511.72**

22 Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
The balance comprises temporary differences attributable to:		
Deferred Tax Assets in relation to:		
Business Losses including Unabsorbed Depreciation	118.28	-
Provision for allowances for credit losses	75.68	71.24
Expenses allowed in the year of payment	172.42	155.65
Lease Liabilities	108.94	102.74
Total Deferred Tax Assets (A)	**475.32**	**329.63**
Deferred Tax Liabilities in relation to:		
Property, Plant & Equipments and Intangible Assets	940.44	737.03
Right-of-use to assets	107.80	98.12
Total Deferred Tax Liabilities (B)	**1,048.24**	**835.15**
Total Deferred Tax Liabilities (B-A)	**572.92**	**505.52**

22.1 Movement of Deferred Tax Liabilities/ (Assets)

Particulars	As at March 31, 2023	Recognised in P&L	Recognised in OCI	As at March 31, 2024
Deferred Tax Assets in relation to:				
Business Losses including Unabsorbed Depreciation	-	118.28	-	**118.28**
Provision for allowances for credit losses	71.24	4.44	-	**75.68**
Expenses allowed in the year of payment	155.65	29.62	(12.85)	**172.42**
Lease Liabilities	102.74	6.20	-	**108.94**
Total Deferred Tax Assets (A)	**329.63**	**158.54**	**(12.85)**	**475.32**
Deferred Tax Liabilities in relation to:				
Property, Plant & Equipments and Intangible Assets	737.03	203.41	-	**940.44**
Right-of-use to assets	98.12	9.68	-	**107.80**
Total Deferred Tax Liabilities (B)	**835.15**	**213.09**	**-**	**1,048.24**
Total Deferred Tax Liabilities / (Assets) (B - A)	**505.52**	**54.55**	**12.85**	**572.92**

(₹ in lakhs)

Particulars	As at March 31, 2022	Recognised in P&L	Recognised in OCI	As at March 31, 2023
Deferred Tax Assets in relation to:				
Business Losses including Unabsorbed Depreciation	40.80	(40.80)	-	**-**
Provision for allowances for credit losses	263.35	(192.11)	-	**71.24**
Expenses allowed in the year of payment	182.25	(16.99)	(9.61)	**155.65**
Lease Liabilities	95.89	6.85	-	**102.74**
Total Deferred Tax Assets (A)	**582.29**	**(243.05)**	**(9.61)**	**329.63**
Deferred Tax Liabilities in relation to:				
Property, Plant & Equipments and Intangible Assets	646.45	90.58	-	**737.03**
Right-of-use to assets	94.74	3.38	-	**98.12**
Total Deferred Tax Liabilities (B)	**741.19**	**93.96**	**-**	**835.15**
Total Deferred Tax Liabilities / (Assets) (B - A)	**158.90**	**337.01**	**9.61**	**505.52**

23 Non-Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Government Grants (Refer Note 41)		
Opening Balance	1,042.44	-
Add: During the year	528.50	1,042.44
Less: Amortisation of Deferred Government Grant recognised in Other Income	223.26	-
	1,347.68	**1,042.44**

24 Current Financial Liabilities -Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
Loans Repayable on Demand		
Cash Credit from Bank	2,690.02	2,248.62
	2,690.02	**2,248.62**
Unsecured		
Short Term Loans Repayable on Demand		
Inter Corporate Deposits	690.80	-
Current maturities of Long Term Debt (Refer note 19)	1,733.53	1,181.28
	5,114.35	**3,429.90**

Notes to Consolidated Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

24.1 Cash Credit Loans are secured by first pari passu charge by hypothecation of stocks, book debts and second pari passu charge on all fixed assets, both present and future and further secured by personal guarantee of the Chairman of the Company.

25 Lease Liability

Particulars	As at March 31, 2024	As at March 31, 2023
Lease obligations	70.10	44.20
	70.10	**44.20**

26 Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023
For Goods and Services		
Total outstanding dues of micro enterprises and small enterprises	488.24	633.99
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,648.87	2,080.61
	3,137.11	**2,714.60**

26.1 Trade Payables include outstanding to a related enterprise of ₹17.78 (₹35.07).

26.2 Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

	Particulars	As at March 31, 2024	As at March 31, 2023
a.	Principal amount and Interest due thereon remaining unpaid to any supplier at the end of year	488.24	633.99
b.	Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day	-	-
c.	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d.	the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act	-	-

Trade Payables ageing schedule: As at 31st March, 2024

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	437.59	50.65	-	-	-	**488.24**
(ii) Others	1,927.77	555.60	51.49	28.56	85.45	**2,648.87**
Total Trade Payable	**2,365.36**	**606.25**	**51.49**	**28.56**	**85.45**	**3,137.11**

(₹ in lakhs)

Trade Payables ageing schedule: As at 31st March, 2023

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	630.39	-		-	3.60	**633.99**
(ii) Others	1,521.45	389.01	33.85	22.74	113.56	**2,080.61**
Total Trade Payable	**2,151.84**	**389.01**	**33.85**	**22.74**	**117.16**	**2,714.60**

27 Other Current Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued	8.27	3.63
Unpaid Dividend	3.29	3.34
Capital Creditors	21.03	145.34
Employees Emoluments	577.81	500.07
Statutory Dues	68.02	44.48
Others	87.04	73.57
	765.46	**770.43**

28 Short Term Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision For Employee Benefits	19.27	16.46
	19.27	**16.46**

29 Other Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Customers' Credit Balances and Advances against orders	156.41	113.89
Advance Against Property	1,050.00	1,050.00
	1,206.41	**1,163.89**

30 Revenue From Operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Products - Yarn, Embroidery Fabric & Laces		
Domestic Sales	28,959.14	24,496.30
Export Sales	4,474.09	4,992.29
Other Operating Revenue (Including Export Incentives)	185.35	175.67
	33,618.58	**29,664.26**

30.1 Sales include sales made to related enterprises ₹164.79 (₹279.76).

(₹ in lakhs)

31 Other Income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit on sale of Investments	-	2.51
Interest Income	61.58	35.35
Dividend Received	2.40	1.26
Profit on disposal of Property, Plant and Equipment (Net)	22.44	114.79
Gain on Foreign Currency transactions and translation (Net)	65.72	106.69
Miscellaneous Income	22.77	51.27
Amortization of Government Grant	223.26	-
	398.17	**311.87**

32 Cost Of Material Consumed

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cost of Raw Material Consumed		
Opening Stock	1,369.41	1,028.86
Purchases during the year	21,324.09	18,380.72
	22,693.50	**19,409.58**
Less:- Closing Stock	1,292.64	1,369.41
	21,400.86	**18,040.17**

32.1 Purchases includes from related enterprises ₹106.82 (₹57.07).

33 Change In Inventories

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Inventories		
Work-in-Progress	756.32	719.31
Finished Goods	2,729.71	2,669.29
	3,486.03	**3,388.60**
Less: Closing Inventories		
Work-in-Progress	1,342.16	756.32
Finished Goods	3,681.88	2,729.71
	5,024.04	**3,486.03**
	(1,538.01)	**(97.43)**

Notes to Consolidated Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

34 Employee Benefits Expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Wages and Incentives	3,566.53	3,231.53
Contribution to Funds	168.23	135.49
Staff Welfare Expenses	81.33	83.27
Employee ESOP Compensation (Refer Note 45)	-	(11.37)
	3,816.09	**3,438.92**

35 Finance Cost

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense	813.87	288.34
Interest on Lease Obligation	39.43	22.33
Other Borrowing Costs	70.98	33.21
Net Gain/Loss on Foreign Currency Transactions and Translation	2.13	20.26
(Considered as finance costs)		
	926.41	**364.14**

36 Other Expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Stores & Spares Consumed	637.02	556.04
Repair & Maintenance	200.95	201.18
Power & Fuel	2,717.51	1,858.14
Insurance	60.26	53.55
Job Charges	547.65	787.11
Legal & Professional Fees	103.52	93.88
Packing Material Consumed	1,474.70	1,289.63
Payment to Auditors*	17.22	12.22
Rates & Taxes	31.03	22.06
Rent	34.68	46.62
Provision for Doubtful Advances	-	35.00
Provision for Expected Credit Losses	15.95	10.49
Directors Sitting Fees	3.87	3.45
Donations	0.26	0.15
Expenditure incurred towards CSR activities	23.09	25.44
Selling Expenses	964.76	1,244.10
Miscellaneous Expenses	709.19	671.95
	7,541.66	**6,911.01**

Notes to Consolidated Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
* Details of payment to Auditors		
a) Statutory & Tax Audit	12.72	12.22
b) for Taxation Matter	5.00	-
c) for Other Services	-	-
	17.22	**12.22**

37 Exceptional Items

Exceptional Item represent:

a) Profit of ₹Nil (₹1,116.29) represents profit from sale of non- core assets of the Company,

b) Expenses of ₹Nil (₹204.10) represents settlement of workers arrived with them towards sundry cases in Labour Court- Silvassa & Valsad.

38 Income Tax Expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Tax expense/(credit) recognized in the Statement of Profit and Loss		
Current tax	-	23.88
Income Tax for earlier year	15.60	1.68
Deferred tax charge (credit)	54.55	337.01
Income Tax expense reported in the Statement of Profit and Loss	**70.15**	**362.57**
Deferred tax impact on component of other comprehensive income (OCI)	12.85	9.61
Total Income Tax benefit recognized in Other Comprehensive Income	**12.85**	**9.61**
Total Income Tax expense recognised in the current year	**83.00**	**372.18**

Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

Enacted income tax rate in India applicable to the Company	27.82	27.82
Profit before tax	425.08	1,189.01
Income Tax Expense	118.26	330.78
Effect of:		
Expenses that are not deductible in determining taxable profit	6.50	27.95
Income Tax for earlier year	15.60	1.68
Capital Gains (Differential tax rate)	-	5.15
Income that are not taxable in determining taxable profit	(62.11)	-
Others	4.75	6.62
	83.00	**372.18**

(₹ in lakhs)

39 Contingent liabilities, contingent assets and commitments

A. Contingent liabilities (not provided for) in respect of:

	Particulars	As at March 31, 2024	As at March 31, 2023
1	Bank Guarantees Outstanding.	108.21	79.10
2	Demand for Excise duty, being contested by the Company	33.58	33.58
3	Demand for Service Tax, being contested by the Company	123.85	123.85
4	Sundry Cases in Labour Court and Industrial Court (Sarigam unit, Gujarat and Silvassa unit) *(quantum is not ascertainable)	N A*	N A*

There is no contingent liability other than stated above and adequate provision have been made for all known liabilities, except interest and penalties as may arise. The management believes that the Company has a strong chance of favourable decision in above cases, hence no further provision has been considered necessary.

B.	**Commitments**		
a)	**Capial Commitments:** 'Estimated amount of Contracts remaining to be executed on Capital Account [Net of Advances]	26.03	2,095.37
b)	**EPCG Commitments:** Future export obligations / commitments under import of Capital Goods at Concessional rate of customs duty	7,977.15	6,145.71

40 Leases

	Particulars	As at March 31, 2024	As at March 31, 2023
	As a Lessee		
a)	The movement in lease liabilities during the years ended March 31, 2024 and March 31, 2023 is as follows:		
	Balance at the beginning	369.29	369.27
	Additions during the year	346.29	75.61
	Finance cost accrued during the year	39.43	36.09
	Deletions	(259.03)	(1.24)
	Payment of Lease Liabilities	(104.38)	(85.83)
	Balance at the end	**391.60**	**393.91**
b)	Total cash outflow for leases recognised in Statement of Cash Flows for the year ended March 31, 2024 was ₹72.97 (₹50.98).		
c)	Balance of Lease Liabilities :		
	Non-Current Lease Liabilities	321.50	310.75
	Current Lease Liabilities	70.10	105.34
		391.60	**416.09**
d)	The details of the contractual maturities of lease liabilities as at March 31, 2024 and March 31, 2023 on an undiscounted basis are as follows:		
	Less than one year	105.11	74.60
	One to five years	195.59	166.59
	More than five years	1,044.00	1,049.60
	Total	**1,344.70**	**1,290.79**
e)	The Company has incurred rent expense of ₹34.68 (₹46.61) for the year ended March 31, 2024 towards expenses relating to short-term leases and leases of low-value assets.		

Notes to Consolidated Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

41 ₹528.50 (₹1,042.44) accounted as Deferred Government Grants for duty saved on import/purchase of capital goods and spares under the Export Promotion Capital Goods (EPCG) scheme. EPCG scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. Under the scheme, the company is committed to export goods at the prescribed times of duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the company would be required to pay the duty saved along with interest to the regulatory authorities. Such grants recognised are released to the Statement of Profit & Loss based on fulfillment of related export obligations.

42 Foreign exchange derivatives and exposures outstanding at the year-end:

	Particulars	As at March 31, 2024	As at March 31, 2023
(a)	Foreign Currency exposure not hedged by derivative instrument or otherwise :		
	i. Receivable	400.17	1,328.54
	ii. Payable	1,046.55	1,528.51
(b)	Outstanding forward contracts to be hedge foreign currency exposure :	-	-

43 Employee benefits

The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:

The Company makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. During the year the Company has contributed to Government Provident Fund ₹136.80 (₹106.46).

(ii) Defined Benefit Plan:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2024. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Particulars	March 31, 2024	March 31, 2023
Net defined benefit liability / (asset)	498.56	468.89
Liability for Gratuity		
Current	17.58	15.41
Non-Current	480.98	453.48

(₹ in lakhs)

B. Movement in net defined benefit (asset) / liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

Particulars	March 31, 2024			March 31, 2023		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance as at 1 April	468.89	-	468.89	463.60	-	463.60
Included in profit or loss						
Service costs	72.02	-	72.02	73.85	-	73.85
Interest cost / (income)	33.12	-	33.12	30.62	-	30.62
	105.14	**-**	**105.14**	**104.47**	**-**	**104.47**
Included in OCI						
Actuarial loss / (gain) arising from:						
- demographic assumptions	-	-	-	-	-	-
- financial assumptions	91.87	-	91.87	(11.54)	-	(11.54)
- experience adjustment	(138.07)	-	(138.07)	(23.02)	-	(23.02)
	(46.20)	**-**	**(46.20)**	**(34.56)**	**-**	**(34.56)**
Other						
Contributions paid by the employer			-			-
Benefits paid	(29.27)	-	(29.27)	(64.62)	-	(64.62)
	(29.27)	**-**	**(29.27)**	**(64.62)**	**-**	**(64.62)**
Balance as at 31 March	**498.56**	**-**	**498.56**	**468.89**	**-**	**468.89**

C. Plan assets

The Company has no plan assets.

D. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate	7.09%	7.29%
Expected rate of future salary increase	8.00%	7.50%
Mortality	100% of IALM (2012 - 14)	

Assumptions regarding future mortality have been based on published statistics and mortality tables.

E. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in lakhs)

Particulars	March 31, 2024		March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(439.83)	569.75	(414.53)	534.72
Expected rate of future salary increase (1% movement)	565.33	(441.57)	531.76	(415.94)

Sensitivities due to mortality and withdrawals are insignificant, hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

F. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow -

A) Salary Increases- Higher than expected increase in salary will increase the defined benefit obligation.

B) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan’s liability.

C) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumption in the valuation can impact the liabilities.

44 Related parties

A. Related parties and their relationships

i Key Managerial Personnel (KMP) and their relatives	Mr. Raj Kumar Sekhani (Chairman) Mr. Harsh Vardhan Bassi (Managing Director) Mr. Saurabh Maheshwari (Executive Director) Mr. Joginder Kumar Baweja (Independent Director) (upto February 05, 2024) Mr. Gopalkrishnan Sivaraman (Independent Director) Ms. Sushama Sunil Bhatt (Independent Director) Mr. Mahesh Kumar Gupta (Independent Director) (w.e.f. August 28, 2023) Mr. Varun Kathuria (Independent Director) (w.e.f. August 28, 2023) Ms. Bimla Devi Sekhani Mr. Aarav Sekhani Mr. Vishal Sekhani Mr. Ratanlal Sekhani Ms. Prachi Sekhani Ms. Priyani Sekhani
ii. Enterprises having significant influence by KMP & their Relatives	Raj Kumar Sekhani (HUF) M/s J J Sons M/s J J and Sons Kiran Industries Pvt. Ltd. Thakurdas & Co. Pvt. Ltd. Kiran Texpro Pvt. Ltd.
iii. Associate Concerns	Pioneer E-Com Fashions LLP Shree Ganesh Integrated Textile Park Pvt. Ltd.

B Transactions with the above in the ordinary course of business

Notes to Consolidated Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sales		
Enterprises having significant influence by KMP & their Relatives		
M/s J J and Sons	47.21	14.30
Kiran Industries Pvt. Ltd.	97.37	225.16
Kiran Texpro Pvt. Ltd.	20.21	40.30
	164.79	**279.76**
Purchases		
Enterprises having significant influence by KMP & their Relatives		
Kiran Industries Pvt. Ltd.	106.39	21.19
J J and sons	0.38	2.73
Kiran Texpro Pvt. Ltd.	0.05	33.15
	106.82	**57.07**
Payment for Rent & Other Services		
Enterprises having significant influence by KMP & their Relatives		
Kiran Industries Pvt. Ltd.	23.28	23.28
Receipt for Rent & Other Services		
Enterprises having significant influence by KMP & their Relatives		
Kiran Texpro Pvt. Ltd.	3.66	3.14
Employee Benefit Expenses		
Key Managerial Personnel (KMP) and their relatives		
Managerial Remuneration		
Mr. Raj Kumar Sekhani (Chairman)	84.00	84.00
Mr. Harsh Vardhan Bassi (Managing Director)	36.00	36.00
Mr. Saurabh Maheshwari (Executive Director)	48.00	48.00
Mr. Aarav Sekhani	24.24	24.00
Mr. Vishal Sekhani	24.24	24.00
Mr. Ratanlal Sekhani	25.26	25.26
Ms. Prachi Sekhani	3.03	3.00
Ms. Priyani Sekhani	4.24	4.20
	249.01	**248.46**
Director Sitting Fees		
Mr. Joginder Kumar Baweja (Independent Director)	1.00	1.40
Mr. Gopalkrishnan Sivaraman (Independent Director)	1.00	1.35
Ms. Sushama Sunil Bhatt (Independent Director)	0.80	0.70
Mr. Mahesh Gupta (Independent Director)	0.63	-
Mr. Varun Kathuria (Independent Director)	0.45	-
	3.88	**3.45**

Notes to Consolidated Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Dividend Paid		
Key Managerial Personnel (KMP) and their Relatives		
Mr. Raj Kumar Sekhani (Chairman)	-	9.49
Mr. Saurabh Maheshwari (Executive Director)	-	0.08
Ms. Bimla Devi Sekhani	-	0.07
Mr. Ratanlal Sekhani	-	0.23
Associates Concerns		
Pioneer E-Com Fashions LLP	-	16.61
	-	**26.48**
Loans & Advances Given		
Associate Concerns		
Shree Ganesh Integrated Textile Park Pvt. Ltd.	100.92	252.09
	100.92	**252.09**
Loans & Advances taken/recovered		
Associate Concerns		
Pioneer E-Com Fashions LLP	5.00	-
	5.00	**-**
Investments in Equity Shares		
Associate Concerns		
Shree Ganesh Integrated Textile Park Pvt. Ltd.	-	1,056.00
	-	**1,056.00**
Guarantee taken		
Associate Concerns		
Pioneer E-Com Fashions LLP	-	5,000.00
	-	**5,000.00**

C Outstanding Balance at the year end

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Loans & Advances taken		
Enterprises having significant influence by KMP & their Relatives		
Raj Kumar Sekhani (HUF)	-	1.90
	-	**1.90**
Trade Payables & Other Liabilities		
Enterprises having significant influence by KMP & their Relatives		
M/s J J Sons	13.67	13.67
M/s J J and Sons	0.25	0.25
Kiran Industries Pvt. Ltd.	2.70	2.38
Kiran Texpro Pvt. Ltd.	1.16	18.77
	17.78	**35.07**

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Receivables		
Enterprises having significant influence by KMP & their Relatives		
M/s J J Sons	2.02	2.02
M/s J J and Sons	37.49	9.10
Kiran Industries Pvt. Ltd.	29.97	61.76
Thakurdas & Co. Pvt. Ltd.	4.80	4.86
Kiran Texpro Pvt. Ltd.	3.64	16.35
	77.92	**94.09**
Associate Concerns		
Shree Ganesh Integrated Textile Park Pvt. Ltd.	353.00	252.09
Pioneer E-Com Fashions LLP	544.85	549.85
	897.85	**801.94**

45 Pioneer Embroideries Limited Employee Stock Option Plan 2018 Scheme (ESOP)

The Company has granted stock options under the Pioneer Embroideries Limited Employee Stock Option Plan 2018 Scheme (ESOP) to the eligible employees of the Company. Under ESOP, the company has granted 4,31,000 options on August 03, 2021. 100% of total options granted would vest in after one year from the date of grant subject to fulfilment of vesting conditions. The maximum period for exercise of options is three year from the date of vesting. Each option when exercised would be converted into one fully paid-up equity share of ₹10 each of the Company. The options granted under ESOP carry no rights to dividends and voting rights till the date of exercise.

As at the end of the financial year, details and movements of the outstanding options are as follows:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Options	Weighted Average exercise price(₹)	No of Options	Weighted Average exercise price (₹)
Options outstanding at the beginning of the year	403,000	@	431,000	@
Options granted under ESOP	-	-	-	-
Options exercised during the year	384,500	13.90	-	-
Options cancelled during the year	-	-	28,000	-
Options expired during the year	-	-	-	-
Options outstanding at the end of the year	18,500	@	403,000	@
Options exercisable at the end of the year	18,500	@	403,000	@

@ The exercise price shall be decided by NRC subject to maximum discount of 50% of the closing market price on the stock exchange, which records the highest trading volumn in the Company's equity shares on the date immediately prior to the date on which the notice of excercise is given to the Company by the employee. In any event, the excercise price shall not be less than face value of the equity share.

(₹ in lakhs)

46 Financial instruments

I. Fair value measurements

A. Financial instruments by category

Particulars	As at March 31, 2024		As at March 31, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets				
Investments	0.01	98.25	0.01	133.04
Trade receivables	-	3,022.23	-	2,683.52
Cash and cash equivalents	-	157.61	-	945.17
Loans	-	353.01	-	252.09
Others				
Non Current	-	239.42	-	331.42
Current	-	37.40	-	38.81
	0.01	**3,907.92**	**0.01**	**4,384.05**
Financial liabilities				
Long term borrowings	-	5,525.95	-	5,888.48
Short terms borrowings	-	5,114.35	-	3,429.90
Trade payables	-	3,137.11	-	2,714.60
Lease Liabilities	-	391.60	-	369.29
Other current financial liabilities	-	765.46	-	770.43
	-	**14,934.47**	**-**	**13,172.70**

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognised and measured at fair value and
(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements:

Particulars	As at March 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets	0.01	-	-	0.01
Financial liabilities	-	-	-	-
	0.01	**-**	**-**	**0.01**

Particulars	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets	0.01	-	-	0.01
Financial liabilities	-	-	-	-
	0.01	**-**	**-**	**0.01**

(₹ in lakhs)

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year.

C. Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at March 31, 2024		As at March 31, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets				
Investments	-	98.25	-	133.04
Trade receivables	-	3,022.23	-	2,683.52
Cash and cash equivalents	-	157.61	-	945.17
Loans	-	353.01	-	252.09
Others				
Non Current	-	239.42	-	331.42
Current	-	37.40	-	38.81
	-	**3,907.92**	**-**	**4,384.05**
Financial liabilities				
Long term borrowings	-	5,525.95	-	5,888.48
Short terms borrowings	-	5,114.35	-	3,429.90
Trade payables	-	3,137.11	-	2,714.60
Lease Liabilities	-	391.60	-	369.29
Other current financial liabilities	-	765.46	-	770.43
	-	**14,934.47**	**-**	**13,172.70**

The carrying amounts of the abovementioned financial assets and financial liabilities are considered to be the same as their fair values, due to their short-term nature.

II. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the processes to ensure that executive management controls risks through the mechanism of property defined framework.

(₹ in lakhs)

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the board annually to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's Audit Committee oversees compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The carrying amount of financial assets represents the maximum credit exposure. The Group monitor credit risk very closely both in domestic and export market. The Management impact analysis shows credit risk and impact assessment as low.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Group Management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes market check, industry feedback, past financials and external ratings, if they are available. Sale limits are established for each customer and reviewed periodically. Any sales exceeding those limits require approval from the President of the Group.

More than 60 % of the Group's customers have been transacting with the Group for over four years, and no impairment loss has been recognized against these customers. In monitoring customer credit risk, customers are reviewed according to their credit characteristics, including whether they are an individual or a legal entity, their geographic location, industry and existence of previous financial difficulties.

The Group establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

The carrying amount net of credit loss allowances of trade receivables is ₹3,022.33 (March 31, 2023 – ₹2,683.52).

Reconciliation of loss allowance provision – Trade receivables:

Particulars	March 31, 2024	March 31, 2023
Opening balance	(279.23)	(969.79)
Changes in loss allowance	(15.95)	690.56
Closing balance	**(295.18)**	**(279.23)**

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Notes to Consolidated Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected future cash flows. This is generally carried out at unit level and monitored through corporate office of the Group in accordance with practice and limits set by the Group. These limits vary by location to take into account requirement, future cash flow and the liquidity in which the entity operates. In addition, the Group's liquidity management strategy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(a) Financing arrangements

The Group has bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in indian rupee and have an average maturity within a year.

(b) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude contractual interest payments and the impact of netting agreements.

Particulars	Carrying Amounts March 31, 2024	Contractual cash flows				
		Total	0- 1 year	1–3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	7,259.48	7,259.48	1,733.53	3,363.14	2,014.66	148.16
Short term borrowings	3,380.82	3,380.82	3,380.82	-	-	-
Trade payables	3,137.11	3,137.11	3,137.11	-	-	-
Other non-current financial liabilities	321.50	321.50	-	67.27	21.24	232.99
Other current financial liabilities	835.56	835.56	835.56	-	-	-
Total non-derivative liabilities	**14,934.47**	**14,934.47**	**9,087.02**	**3,430.41**	**2,035.90**	**381.14**

Particulars	Carrying Amounts March 31, 2023	Contractual cash flows				
		Total	0- 1 year	1–3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	7,069.76	7,069.76	1,181.28	3,365.04	2,014.66	508.79
Short term borrowings	2,248.62	2,248.62	2,248.62	-	-	-
Trade payables	2,714.60	2,714.60	2,714.60	-	-	-
Other non-current financial liabilities	325.09	325.09	-	54.36	13.72	257.01
Other current financial liabilities	814.63	814.63	814.63	-	-	-
Total non-derivative liabilities	**13,172.70**	**13,172.70**	**6,959.13**	**3,419.40**	**2,028.38**	**765.80**

The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for liquidity / credit management purposes and which are not usually closed out before contractual maturity.

The interest payments on variable interest rate loans in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change.

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Group uses derivatives like forward contracts to manage market risks on account of foreign exchange. All such transactions are carried out within the guidelines set by the Board of Directors.

Notes to Consolidated Financial Statements
for the Year Ended March 31, 2024

(₹ in lakhs)

v. Currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and small exposure in EUR and GBP. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions by hedging the foreign exchange inflows on regular basis.

Currency risks related to the principal amounts of the Group's foreign currency payables, have been partially hedged using forward contracts taken by the Group.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

Particulars	As at March 31, 2024		As at March 31, 2023	
	USD	EUR	USD	EUR
Financial assets				
Trade receivables	6.07	-	6.57	-
Other payables	0.68	10.96	0.68	16.44
Net statement of financial position exposure	5.39	(10.96)	5.89	(16.44)

The following significant exchange rates have been applied:

Particulars	As at March 31, 2024		As at March 31, 2023	
	USD	EUR	USD	EUR
USD 1	83.22	82.24	83.08	82.22
EUR 1	90.04	89.34	90.05	89.61

Interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During March 31, 2024 and March 31, 2023, the Group's borrowings at variable rate were denominated in Indian Rupees.

Currently the Group's borrowings are within acceptable risk levels, as determined by the management, hence the Group has not taken any swaps to hedge the interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows:

Particulars	Nominal Amount	
	March 31, 2024	March 31, 2023
Fixed-rate instruments		
Financial liabilities	578.13	904.30
	578.13	**904.30**
Variable-rate instruments		
Financial liabilities	7,221.53	6,941.16
	7,221.53	**6,941.16**

(₹ in lakhs)

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or loss		Equity, net of tax	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
March 31, 2024				
Variable-rate instruments	36.11	(36.11)	36.11	(36.11)
Cash flow sensitivity	**36.11**	**(36.11)**	**36.11**	**(36.11)**
March 31, 2023				
Variable-rate instruments	34.71	(34.71)	34.71	(34.71)
Cash flow sensitivity	**34.71**	**(34.71)**	**34.71**	**(34.71)**

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

47 a. Balances of certain trade receivables, advances, trade payables and other liabilities are in the process of confirmation and/or reconciliation.

b. Realisable value of current assets, deposits, loans and advances in the ordinary course of business will be at least equal to the amount at which they have been stated in the financial statements.

c. Some of the fixed deposits and bank accounts are subject to confirmations though reconciled with available banks Statements.

48 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed. The Group has incurred ₹23.09 (₹25.44) expenditure on CSR during the year.

	Particulars	March 31, 2024	March 31, 2023
i)	Amount required to be spent by the company during the year	23.09	25.44
ii)	Amount of expenditure incurred	23.09	25.44
iii)	Shortfall at the end of the year	-	-
iv)	Total of previous years shortfall	-	-
v)	Reason for shortfall	NA	NA
vi)	Nature of CSR activities	Promoting health care	Promoting poor children education & health care and employment enhancing vocation skills speacially among women
vii)	Details of related party transactions	-	-
viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA	NA

(₹ in lakhs)

49 Segment Reporting

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the Group falls within one broad business segment viz. "Textile" and substantially sale of the product is within the country. The Gross income and profit from the other segment is below the norms prescribed in Ind AS 108. Hence, the disclosure requirement of Ind AS 108 of 'Segment Reporting' is not considered applicable.

50 Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The following table summarises the capital of the Group :

Particulars	March 31, 2024	March 31, 2023
Equity Share Capital	2,947.54	2,659.09
Other Equity	11,606.66	10,216.95
Total Equity	**14,554.20**	**12,876.04**
Non-Current Borrowings	5,525.95	5,888.48
Current maturities of Non-Current Borrowings	1,733.53	1,181.28
Current Borrowings	3,380.82	2,248.62
Total Debts	**10,640.30**	**9,318.38**
Less: Cash & Cash Equivalents	157.61	945.17
Net Debts	**10,482.69**	**8,373.21**

51 Ratios

The major financial ratios of the Company are disclosed below along with the reasons for variance:

Particulars	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reason for variance
Current Ratio	Current Assets	Current Liabilities	1.29	1.47	-12.3%	
Debt Equity Ratio	Total Borrowings + Lease Liabilities	Shareholder's Equity	0.76	0.75	0.7%	
Debt Service Coverage Ratio	Earnings for Debt Service = Net Profit after Taxes + Non-cash Operating Expenses + Interest + Other adjustment like loss on sale of assets	Debt Service = Interest + Lease Payments + Principal Repayments	1.13	1.78	-36.7%	Due to increase in repayment obligation
Return on Equity Ratio	Net Profit after Tax	Average Shareholder's Equity	2.59%	6.62%	-60.9%	Due to reduction in Net Profit as compared to last year
Inventory Turnover Ratio	Revenue from Operations	Average Inventory	5.56	5.88	-5.5%	
Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	11.92	11.64	2.4%	
Trade Payables Turnover Ratio	Total Purchases	Average Trade Payables	8.05	8.70	-7.5%	

Notes to Consolidated Financial Statements

for the Year Ended March 31, 2024

(₹ in lakhs)

Particulars	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reason for variance
Net Capital Turnover Ratio	Revenue from Operations	Working Capital = Current Assets-Current Liabilities	11.35	7.78	45.9%	Due to reduction in Net working capital compared to last year
Net Profit Ratio	Net Profit	Revenue from Operations	1.06%	2.79%	-62.1%	Due to reduction in Net Profit as compared to last year
Return on Capital Employed	Earning before Finance Cost & Tax (EBIT)	Capital Employed = Tangible Met Worth + Total Debt + Lease Liability + Deferred Tax Liability	5.17%	10.69%	-51.7%	Due to reduction in Net Profit and increase in debt as compared to last year
Return on Investment	Return/Profit/Earnings	Average Investment	4.57%	2.08%	119.7%	Due to increase in income from investments

52 Other Disclosures

The Consolidated Financial Statements include the accounts of Pioneer Embroideries Limited (Parent Company) and its subsidiaries as detailed below:

Particulars	Country of Incorporation	March 31, 2024	March 31, 2023
Hakoba Lifestyle Limited	India	100%	100%
Pioneer Realty Limited	India	100%	100%
Crystal Lace (I) Limited	India	45%	45%

53 Earning per Equity Share

Particulars	March 31, 2024	March 31, 2023
Net Profit for the year	354.93	826.44
Weighted Average Number of Equity Shares of ₹10 each (fully paid-up)	27,137,735	26,590,942
- Basic (₹)	1.31	3.11
- Diluted (₹)	1.27	3.11

54 Previous year figure have been regrouped / reclassified to conform to current years classifications.

As per our Report of even date
For **M B A H & CO**
Chartered Accountants
(Firm's Registration No.: 121426W)

Mahesh Bhageria
Partner
Membership Number: 034499

Place: Mumbai
Date: 27th May, 2024

For & on behalf of Board of Directors

HARSH VARDHAN BASSI
Managing Director
DIN 00102941

RAJ KUMAR SEKHANI
Chairman
DIN 00102843

DEEPAK SIPANI
Chief Financial Officer

AMI THAKKAR
Company Secretary

Annexure A

FORM NO. AOC -1
(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the finalcial statement of subsidiaries;

Part"A"; Subsidiaries (₹ in lakhs)

Sr. No.	Particulars	Name of Subsidiary		
		Hakoba Lifestyle Ltd.	Pioneer Reality Ltd.	Crystal Lace (I) Ltd.
(a)	Reporting Period	April to March	April to March	April to March
(b)	Reporting Currency	INR	INR	INR
(c)	Share Capital	484.63	5.00	987.04
(d)	Reserve & Surplus	(99.16)	(8.44)	(909.32)
(e)	Total Assets	802.78	0.30	1,274.21
(f)	Total Liabilities	417.31	3.74	1,196.49
(g)	Investment other than Investment in Subsidiary	-	-	-
(h)	Turnover	-	-	17.31
(i)	Profit/(Loss) before Taxation	(0.54)	(0.07)	(31.37)
(j)	Provision for Taxation	-	-	-
(k)	Profit/(Loss) after Taxation	(0.54)	(0.07)	(31.37)
(l)	Proposed Dividend	-	-	-
(m)	% of shareholding	-	-	-

PIONEER EMBROIDERIES LIMITED

Registered Office :
Unit No, 101B, 1st Floor, Abhishek Premises, Plot No. C5-6, Dalia Industrial Estate, Off. New Link Road,
Andheri (West), Mumbai - 400 058

Tele : 91-22- 4223 2323 | **Fax :** 91-22- 4223 2313
Website : www.pelhakoba.com; www.silkolite.com; www.hakoba.in
E-mail : mumbai@pelhakoba.com
CIN : L17291MH1991PLC063752

Scale to Value...

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