



PIONEER GROUP

PIONEER EMBROIDERIES LIMITED



**26th
Annual Report
2017 - 2018**

Dope Dyed Polyester Yarn Unit, Kala-amb, Himachal Pradesh



BOARD OF DIRECTORS AND OTHER INFORMATION

BOARD OF DIRECTORS

RAJ KUMAR SEKHANI (DIN:00102843)	Chairman
HARSH VARDHAN BASSI (DIN:00102941)	Managing Director
GANGADHARAN KANDAM RAMA PANICKER (DIN:07735379)	Executive Director
JOGINDER KUMAR BAWEJA (DIN:01660198)	Independent Director
GOPALKRISHNAN SIVARAMAN (DIN:00457873)	Independent Director
MRS. SUJATA CHAKRAVARTY (DIN:07584280)	Independent Director

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BANKERS

UNION BANK OF INDIA
KOTAK MAHINDRA BANK LTD.

CFO

NAWAL SHARMA

COMPANY SECRETARY & COMPLIANCE OFFICER

AMI THAKKAR

STATUTORY AUDITORS

S. K. Naredi & Co.
Chartered Accountants

Works:

Embroidery & Bobbin Lace (ELD):

- SARIGAM : 1637, 1639, G.I.D.C. Sarigam, Dist. Valsad, Gujarat - 396 155
 - NAROLI : Primer Industrial Estate, Survey No. 678/1/2, Village Naroli, Silvassa, (U.T.)-396 203
 - COIMBATORE : Mettupalaym Road, Chinnamaddampalayam, Billichy Post, Coimbatore - 641 019
- Process House : 1638, G.I.D.C., Sarigam, Dist. Valsad, Gujarat -396 155
- Dope Dyed Polyester Yarn (DDPY) : 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 (DDPY) : 807 & 808, ITL Twin Towers, Plot No. B-09, Netaji Subhash Place, Pitampura, New Delhi - 110 034
- NCR Office : Plot No. 583, Udyog Vihar, Phase 5, Gurgaon, Haryana - 122 016
- Kolkata Office : 14/2, Room No. 135, 2nd Floor, Old China Bazar Street, Kolkata - 700 001
- Bangaluru Office : 872, OTL Main Road, Nagrathpet, 1st Floor, Rajatha Hotel Building, Bangaluru -560 002
- Surat Office : Kiran Compound, Near AP Market, Udhna, Surat - 394 210
- Telephone No. : 91-22- 42232323
- Fax No. : 91-22- 42232313
- Website : www.pelhakoba.com; www.silkolite.com
- E-mail Address : mumbai@pelhakoba.com
- CIN : L17291MH1991PLC063752
- Listing : BSE Limited and National Stock Exchange of India Ltd.
- ISIN for Dematerialisation : INE156C01018
- Share Transfer Agent : Link Intime India Pvt. Ltd., C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400 083
- Telephone No. : 91-22- 49186000 / 49186270
- Fax No. : 91-22- 49186060

NOTICE

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Shareholders of PIONEER EMBROIDERIES LIMITED will be held on Monday, the 20th August, 2018 at The Goregaon Sports Club, Ground Floor, West Hall 'A' Block, Link Road, Malad (West), Mumbai- 400064 at 9.30 A.M. 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, 2018 and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Raj Kumar Sekhani (DIN: 0102843) who retires by rotation and being eligible, offers himself for reappointment.
3. To ratify the appointment of M/s. S K Naredi & Co. (ICAI Regn. No. 003333C), Chartered Accountants as Statutory Auditors for the financial year 2018-19 and to fix their remuneration.

SPECIAL BUSINESS

4. To approve "Pioneer Embroideries Limited Employee Stock Option Plan 2018" and in this regard, to consider and if thought fit, to pass the following resolution as an Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 62(1)(b) and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (hereinafter referred to as "SEBI SBEB Regulations") and subject to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be imposed or prescribed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee thereof including the Nomination and Remuneration Committee ("NRC") duly authorised by the Board), approval and consent of the Members of the Company be and are hereby accorded to the 'Pioneer Embroideries Limited Employee Stock Option Plan 2018 (hereinafter referred to as the "PEL ESOP 2018" / "Plan") and to authorize the Board to create, offer and grant from time to time upto 12,05,864 (Twelve Lakhs Five Thousand Eight Hundred and Sixty Four) Employee Stock Options ("ESOPs") being not exceeding 5% (Five percent) of the paid-up equity share capital of the Company as on the date of passing the resolution to the permanent employees (excluding promoters) and/or Directors (including whole-time directors but excluding non-executive independent directors) of the Company, whether working in India or outside India, as may be decided by the Board under the Plan (hereinafter referred to as an "employees" or "eligible employees"), convertible into equivalent number of equity shares of ₹10/- (Rupees Ten) each, in one or more tranches, and on such terms and conditions as may be fixed or determined by the Board in accordance with the Act and provisions of PEL ESOP 2018; through Nomination and Remuneration Committee (hereinafter referred to as "NRC") and on such terms and conditions, as may be determined by the Board under PEL ESOP 2018."

"RESOLVED FURTHER THAT the Board be and is hereby further authorised to issue and allot equity shares upon exercise of ESOPs from time to time in accordance with the Plan and such equity shares shall rank pari passu in all respects with the then existing equity shares of the Company."

"RESOLVED FURTHER THAT as is required, the Company shall confirm to the accounting policies as applicable to the Company, from time to time."

"RESOLVED FURTHER THAT the number of ESOPs that may be granted to any eligible employee including any Director of the Company (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), in any financial year and in aggregate under the Plan shall be less than 1% (One percent) of the issued equity share capital (excluding outstanding warrants and conversions) of the Company."

"RESOLVED FURTHER THAT the aforesaid ceiling of 12,05,864 (Twelve Lakhs Five Thousand Eight Hundred and Sixty Four) ESOPs convertible into equivalent number of equity shares of ₹10/- (Rupees Ten) each shall be appropriately adjusted, in case of any corporate action(s) such as rights issues, bonus issues, sub-division, split or consolidation of shares, any change in capital structure, merger and/or sale of division/undertaking or any other re-organisation / restructuring of the Company, without affecting any other rights or obligations of the option grantees."

"RESOLVED FURTHER THAT the Board be and is hereby empowered:

- i. to administer, implement and supervise the PEL ESOP 2018 either directly by itself or through NRC;
- ii. to formulate, approve, evolve, modify, change, vary, alter, amend, suspend or terminate the PEL ESOP 2018 and determine and bring into effect such terms and conditions and procedures for grantor vesting of Share(s)/Option(s) under PEL ESOP 2018 either directly by itself or through NRC;
- iii. to grant, issue, re-issue, recall, surrender, cancel and withdraw stock options from time to time and to determine the terms and conditions therefore;
- iv. to re-price the options as it deems fit but not below the face value of equity shares of the Company, which are not exercised, whether or not they have been vested, if the exercise price of the options is rendered unattractive due to fall in price of the share in the market and such re-pricing is not detrimental to the interest of the employees who have been granted stock options under PEL ESOP 2018

- v. to take necessary steps for listing of the equity shares allotted under the PEL ESOP 2018 as per the terms and conditions of the listing agreement with the concerned Stock Exchanges, where the equity shares of the Company are listed;
- vi. to delegate all or any of the powers herein conferred by this resolution to any Committee of Directors, Director, Officer or Authorised Representative of the Company;
- vii. to do all such acts, deeds, things and matters as may be considered necessary or expedient and settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to settle all questions, difficulties or doubts and to do all such acts, deeds, matters and things as may be required, to give full effect to the aforesaid Resolution(s)."

5. To approve "Pioneer Embroideries Limited Employee Stock Option Plan 2018" - Holding Company and/or Subsidiary Company(ies) and in this regard, to consider and if thought fit, to pass the following resolution as an Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 62(1)(b) and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (hereinafter referred to as "SEBI SBEB Regulations") and subject to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be imposed or prescribed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee thereof including the Nomination and Remuneration Committee ("NRC") duly authorised by the Board), approval and consent of the Members of the Company be and are hereby accorded to the 'Pioneer Embroideries Limited Employee Stock Option Plan 2018 (hereinafter referred to as the "PEL ESOP 2018" / "Plan") and to authorize the Board to create, offer and grant from time to time upto 12,05,864 (Twelve Lakhs Five Thousand Eight Hundred and Sixty Four) Employee Stock Options ("ESOPs") being not exceeding 5% (Five percent) of the paid-up equity share capital of the Company as on the date of passing the resolution to the permanent employees (excluding promoters) and/or Directors (including whole-time directors but excluding non-executive independent directors) of the Subsidiary Company, whether working in India or outside India, and/or to the permanent employees (excluding promoters) and/or Directors (including whole-time directors but excluding non-executive independent directors) of the Holding Company, whether working in India or outside India, as may be decided by the Board under the Plan (hereinafter referred to as an "employees" or "eligible employees"), convertible into equivalent number of equity shares of ₹10/- (Rupees Ten) each, in one or more tranches, and on such terms and conditions as may be fixed or determined by the Board in accordance with the Act and provisions of PEL ESOP 2018; through Nomination and Remuneration Committee (hereinafter referred to as "NRC") and on such terms and conditions, as may be determined by the Board under PEL ESOP 2018."

"RESOLVED FURTHER THAT the Board be and is hereby further authorised to issue and allot equity shares upon exercise of ESOPs from time to time in accordance with the Plan and such equity shares shall rank pari passu in all respects with the then existing equity shares of the Company."

"RESOLVED FURTHER THAT as is required, the Company shall confirm to the accounting policies as applicable to the Company, from time to time."

"RESOLVED FURTHER THAT the number of ESOPs that may be granted to any eligible employee including any Director of the Company (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), in any financial year and in aggregate under the Plan shall be less than 1% (One percent) of the issued equity share capital (excluding outstanding warrants and conversions) of the Company."

"RESOLVED FURTHER THAT the aforesaid ceiling of 12,05,864 (Twelve Lakhs Five Thousand Eight Hundred and Sixty Four) ESOPs convertible into equivalent number of equity shares of ₹10/- (Rupees Ten) each shall be appropriately adjusted, in case of any corporate action(s) such as rights issues, bonus issues, sub-division, split or consolidation of shares, any change in capital structure, merger and/or sale of division/undertaking or any other re-organisation / restructuring of the Company, without affecting any other rights or obligations of the option grantees."

"RESOLVED FURTHER THAT the Board be and is hereby empowered:

- i. to administer, implement and supervise the PEL ESOP 2018 either directly by itself or through NRC;
- ii. to formulate, approve, evolve, modify, change, vary, alter, amend, suspend or terminate the PEL ESOP 2018 and determine and bring into effect such terms and conditions and procedures for grantor vesting of Share(s)/Option(s) under PEL ESOP 2018 either directly by itself or through NRC;
- iii. to grant, issue, re-issue, recall, surrender, cancel and withdraw stock options from time to time and to determine the terms and conditions therefore;
- iv. to re-price the options as it deems fit but not below the face value of equity shares of the Company, which are not exercised, whether or not they have been vested, if the exercise price of the options is rendered unattractive due to fall in price of the share in the market and such re-pricing is not detrimental to the interest of the employees who have been granted stock options under PEL ESOP 2018;
- v. to take necessary steps for listing of the equity shares allotted under the PEL ESOP 2018 as per the terms and conditions of the listing agreement with the concerned Stock Exchanges, where the equity shares of the Company are listed;
- vi. to delegate all or any of the powers herein conferred by this resolution to any Committee of Directors, Director, Officer or Authorised Representative of the Company;



- vii. to do all such acts, deeds, things and matters as may be considered necessary or expedient and settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members of the Company."
6. To approve the re-appointment and payment of remuneration of the Cost Auditors for the financial year ending 31st March, 2019 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, 2019 at a remuneration, amounting to ₹50,000 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**

Place : Mumbai
Date : 28th May, 2018

Harsh Vardhan Bassi
Managing Director
DIN: 00102941

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**

The Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty, and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 wherever applicable is attached and forms part of this Notice.
3. Mr. Raj Kumar Sekhani (DIN:00102843) 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.
4. Members are requested to affix their signature at the place provided on the Attendance Slip and hand over the slip at the entrance to the place of meeting for attending the Meeting.
5. Corporate Members intending to send their Authorised Representatives to attend the Meeting are requested to send a certified true copy of the Board Resolution authorizing their Representative to attend and vote at the Meeting on their behalf.
6. In case of joint holders, the vote of only such joint holder who is higher in the order of names, whether in person or proxy, shall be accepted to the exclusion of the votes of other joint holders.
7. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members/Proxies/Authorized Representatives should bring their copy of the Annual Report and Attendance Slip sent herein for attending the Meeting. Proxy/Authorized Representatives of Members should state on the Attendance Slip as 'Proxy' or 'Authorized Representative', as the case may be. Further, those who hold shares in demat form are requested to write their Client Id and DP Id and those who hold shares in physical forms are requested to write their folio number on the attendance slip for easy identification at the meeting.
8. The Register of Members and Share Transfer Register of the Company will remain closed from Tuesday 14th August, 2018 to Monday 20th August, 2018 (both days inclusive).
9. In terms of the Notification issued by Securities and Exchange Board of India (SEBI), the Equity Shares of the Company are compulsorily traded in Electronic mode. Shareholders are requested to avail this facility and get their shareholding converted into Dematerialised form by sending the Dematerialisation Request Form (DRF) alongwith the Share Certificates through their Depository Participant (DP) to the Company's Registrar & Transfer Agent.
10. Since, financial year ending on 31st March, 2008, the Company has not declared any Dividend and there is/are no unclaimed Dividend outstanding with the Company as on date.
11. Members are requested to apply for consolidation of folios, in case their holdings are maintained in multiple folios.
12. 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.



13. Statutory registers and all other documents relevant to the business as stated in the Notice convening the AGM are open for inspection by the Members at the Registered Office of the Company upto and including the date of the ensuing Annual General Meeting of the Company during business hours on any working day of the Company without payment of fee and will also be available at the AGM.
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.
15. The Ministry of Corporate Affairs ("MCA"), Government of India, through its Circular No.17/2011 dated 21st April, 2011 and Circular No.18/2011 dated 29th April, 2011 has allowed companies to send Annual Report comprising of Balance sheet, Statement of Profit & Loss Account, Directors' Report, Auditors' Report and Explanatory statement etc., through electronic mode to the registered e-mail address of the members. Keeping in view the underlying theme and circulars issued by MCA, we propose to send future communication in electronic mode to the e-mail address provided by you to the depositories and made available by them being the registered address. By opting to receive communications through electronic mode you have the benefit of receiving communications promptly and avoiding loss in postal transit.

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.

16. 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 Private Limited 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.
17. The instructions for shareholders voting electronically are as under:
 - (i) The voting period begins on **Friday 17th August, 2018 (9.00 a.m. IST) and ends on Sunday 19th August, 2018 (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 13th August, 2018, may cast their vote electronically. The e-voting module shall be disabled by LINKINTIME for voting after 19th August, 2018 at 5.00 p.m.
 - (ii) Visit the e-voting system of LIPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
 - (iii) Click on "Login" tab, available under 'Shareholders' section.
 - (iv) Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
 - (v) Your User ID details are given below:
 - a. **Shareholders holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID
 - b. **Shareholders holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID
 - c. **Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No. + Folio Number registered with the Company
 - (vi) Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (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).

For Shareholders holding shares in Demat Form or Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB / DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio number. <ul style="list-style-type: none"> Please enter the DOB/ DOI or Dividend Bank Details in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Dividend Bank Details field as mentioned in instruction (v).



(vii) If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

(viii) If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".
- In case shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/DOI, Dividend Bank Details etc. and confirm. (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).

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

- For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) Cast your vote electronically

- After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of Pioneer Embroideries Limited. you choose to vote.
- On the voting page, you will see "Resolution Description" and against the same the option "Favour / Against" for voting.
- 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'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour / Against'.
- If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
- After selecting the appropriate option i.e. Favour / Against as desired and you have decided to vote, 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.
- Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
- You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

General Guidelines for shareholders:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'.
 - They are also required to upload a scanned certified true copy of the board resolution / authority letter / power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.
 - During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
 - Shareholders holding multiple folios / demat account shall choose the voting process separately for each of the folios / demat account.
 - In case the shareholders have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call us :- Tel : 022 - 49186000..
- (x) Mr. Sanjay R. Dholakia, Practising Company Secretary (Membership No. F 2655) has been appointed as Scrutinizer to scrutinize the voting and e-Voting process in a fair and transparent manner.
- (xi) The Chairman shall, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the e-Voting facility.
- (xii) The Scrutinizer shall after conclusion of voting at the Annual General Meeting, will count the votes cast at the meeting in the presence of at least two witnesses not in employment of the Company and 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.
- (xiii) The Results of the voting with the report of the Scrutinizer shall be placed on the website of the Company 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 and National Stock Exchange of India Limited.
- (xiv) Your default PAN / Sequence Number has been printed on the address sticker on right side in bold, which is to be used for E-voting purpose as you have not updated your PAN details.

Map showing location of the venue of 26th Annual General Meeting of Pioneer Embroideries Limited

Venue:

The Goregaon Sports Club,
Ground Floor, West Hall 'A' Block,
Link Road, Malad (West),
Mumbai- 400064.
Time : 9.30 A.M.



Landmark : Near Toyota Showroom
Distance from Malad Station (W) : 2.5 kms (10-15 minutes)

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

That following explanatory statement sets out the material facts referring to Item No. 4 & 5 of the Notice.

ITEM NO. 4 & 5

Human resource is the key for the continuous growth and development of a Company. In order to attract and retain key employees working with the Company by way of rewarding their performance and motivate them to contribute and participate in the overall corporate growth, profitability and financial success of the organizations, your Company intends to implement employee stock option plan.

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through share based compensation plan. The Company intends to implement the Pioneer Embroideries Limited Employees Stock Option Plan 2018 (PEL ESOP 2018), with a view to attract and retain key talents working with the Company by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability.

Pursuant to provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, (SEBI (SBEB) Regulations), the Company seeks members, approval in respect of PEL ESOP 2018 and grant of options to the eligible employees/ Directors of the Company as decided by the Nomination and Remuneration Committee from time to time in due compliance of the SEBI (SBEB) Regulations.

Members are further requested to note that the Board of Directors considers it appropriate to extend the proposed PEL ESOP 2018 to the employees / directors of the holding / subsidiary company(ies), as may be decided by the Board of Directors or Nomination and Remuneration Committee thereof, to motivate and retain the best talent.

The main features of the PEL ESOP 2018 are as under:

1. Brief Description of the Plan:

This proposed Plan namely, the Pioneer Embroideries Limited Employees Stock Option Plan 2018 (PEL ESOP 2018) is intended to reward the Eligible Employees of the Company and /or subsidiary Company(ies), for their performance and to motivate them to contribute to the growth and profitability of the Company. Your Company also intends to use this Plan to retain talent in the organization as it views options as instruments that would enable the Employees to share the value they create for the Company and align individual objectives of employees with objectives of the Company in the years to come.

The Company in terms of the said SEBI (SBEB) Regulations contemplates to enable the implementation of PEL ESOP 2018 by dealing in/acquiring Equity Shares directly from the Company ("Primary Shares").

2. Total number of options to be granted:

Such number of options would be available for grant to the eligible employees of the Company and /or subsidiary Company(ies) under PEL ESOP 2018, in one or more tranches exercisable into not exceeding more than 12,05,864 (Twelve Lakhs Five Thousand Eight Hundred and Sixty-Four) Equity Shares in the Company of face value of ₹10/- each fully paid-up.

Vested options lapsed due to non-exercise and/or unvested options that get cancelled due to resignation/ termination of the employees or otherwise, would be available for being re-granted at a future date. The Board is authorized to re-grant such lapsed / cancelled options as per the provisions of PEL ESOP 2018, within overall ceiling.

3. Identification of classes of employees entitled to participate in PEL ESOP 2018:

Following classes of employees are entitled to participate in PEL ESOP 2018:

- a) Permanent employees of the Company and /or subsidiary Company(ies);
- b) Directors of the Company and /or subsidiary Company(ies), whether a whole time or not;

Following persons are not eligible:

- a) an employee who is a Promoter or belongs to the Promoter Group;
- b) a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and
- c) an Independent Director within the meaning of the Companies Act, 2013.

4. Requirements of vesting and period of vesting:

The options granted shall vest so long as an employee continues to be in the employment of the Company and /or subsidiary Company(ies). The Nomination and Remuneration Committee may, at its discretion, lay down certain performance metrics on the achievement of which such options would vest, the detailed terms and conditions relating to such vesting, and the proportion in which options granted would vest subject to the minimum vesting period of 1 (one) year.