

PEARL GLOBAL INDUSTRIES LIMITED

SCHEME OF ARRANGEMENT

Pearl Global Industries Limited (the Company), is currently engaged in the following two businesses:-

- Manufacturing of ready to wear Garments; and
- Sourcing, Distribution and Marketing of Garments

Both of these businesses have different dynamics and risk-return profile and the size of operation of the Company is growing, which requires focused attention to each of the businesses.

The Hon'ble High Court of Delhi has sanctioned the Scheme of Arrangement between the Pearl Global Industries Limited (Transferor Company) and PDS Multinational Fashions Limited (Transferee Company) and their respective Shareholders and Creditors for the demerger of above business undertaking of the Transferor Company and its subsequent merger with and into the Transferee Company, pursuant to section 391 to 394 of the Companies Act, 1956 and other applicable provisions.

The summary of the Order of the High Court of Delhi sanctioning the scheme

- Appointed Date of Scheme : April 1, 2012
- Court approved Scheme on : March 10, 2014
- Court Order received on : April 25, 2014
- Effective date of Scheme : May 13, 2014

The Hon'ble High Court of Delhi has sanctioned the Scheme of Arrangement, without any modification, which is binding on all the Shareholders and Creditors of the PGIL and PDS and all concerned and approved the demerger with effect from the appointed date.

1. The Shareholders of PGIL shall be allotted and issued 6 (six) equity shares of Rs. 10/- each fully paid up of PDS for 5 equity shares of Rs. 10 each fully paid up held by them in PGIL.

Accordingly, PDS will issue 25,996,724 equity shares of Rs. 10 each fully paid up upon declaration of 'Record Date' by its Board. The trading of its shares will commence after the listing on BSE and NSE for which the process is going on.

2. All the assets, rights and powers as well as the all the liabilities and duties of the Demerged Undertaking' of PGIL be transferred to and vest in PDS without any further act or deed.
3. The shares of PDS will be listed on BSE and NSE after issue of such shares to company's shareholders.

CERTIFIED TRUE COPY
Pearl Global Industries Limited


Company Secretary