SCHEME OF ARRANGEMENT FOR DEMERGER
UNDER SECTION 228 AND 229 OF THE COMPANIES ACT 1994
OF
ANANTA APPARELS LTD. ('TRANSFEROR COMPANY')
AND
FOUR NEW COMPANIES IN THE NAME:
ANANTA CASUAL WEAR LTD.
ANANTA DENIM TECH LTD.,
ANANTA FASHION LTD.
AND DNV CLOTHING LTD.
(TRANSFEREE COMPANIES)

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A. PREAMBLE OF THE SCHEME

1. This Scheme of Arrangement for Demerger (hereinafter referred to as the "**Scheme**") provides for the demerge of :

i. Ananta Casual Wear Business Undertaking ('ACW Business Undertaking') from Ananta Apparels Ltd. (**Demerged Company/Transferor Company**) into Ananta Casual Wear Ltd (**ACWL/Transferee Company 1**); and

ii. Ananta Denim Tech. Business Undertaking ('ADT Business Undertaking') from Ananta Apparels Ltd. into Ananta Denim Tech Ltd (**ADTL/ Transferee Company 2**); and

iii. Ananta Fashion Business Undertaking ('AF Business Undertaking') from Ananta Apparels Ltd. into Ananta Fashion Ltd (**AFL/Transferee Company 3**); and

iv. DNV Clothing Business Undertaking ('DNVC Business Undertaking') from Ananta Apparels Ltd. into DNV Clothing Ltd (**DNVCL/Transferee Company 4)**;

(Transferee Company 1, Transferee Company 2, Transferee Company 3, Transferee Company 4, all together referred herein as "**Transferee Companies**" or "**Restored Companies**" or "**Newly Formed Companies**") pursuant to Section 228 and 229 and other related provisions of the Companies Act, 1994 ("The Act"). This Scheme provides for the transfer of the respective business undertakings as mentioned from i-iv above from Ananta Apparels Ltd. (the "Demerged Company" or "Transferor Company") to the **Transferee** Companies. Upon the effectiveness of this Scheme, the Demerged Company shall continue to exist as a surviving entity, while each of the **Transferee** Companies shall operate as independent and separate entities in accordance with the terms of this Scheme and the provisions of the Act.

B. DESCRIPTION OF COMPANIES

2. The Transferor Company:

Ananta Apparels Limited (the "**Demerged Company**") was incorporated on 19th July 1992 vide registration no. C 22434(841)/92 as a private company limited by shares in Bangladesh under the Companies Act, 1994. The address of the Demerged Company's Registered Office is Ananta Plaza, 136, Elephant Road, Dhaka 1205, Bangladesh. The Demerged Company manufactures all kinds of readymade garments and apparels and textile goods in any part of Bangladesh and elsewhere and is known as one of the premier woven bottoms manufacturers in the country. The Demerged Company is a platinum supplier of woven bottoms to the retailer H&M and is also one of eight preferred vendors globally of GAP and always make an effort to provide superior services to most of its clients within a very short period of time with quality goods.

3. The Transferee Companies:

a. Pre-Amalgamation dated 05.09.2018:

Ananta Casual Wear Ltd. (ACWL), Ananta Denim Technology Ltd. (ADTL), Ananta Fashion Ltd. (AFL) and DNV Clothing Ltd (DNVCL) were incorporated on 31.12.2007, 11.01.2007, 23.05.1999 and 17.11.2005 respectively. Their registration nos. were C-69424(1935)/07, C-65263(2755)/07, C-37792(2092)/99 and C-59640(1646)/05 respectively. These entities were private companies limited by shares in Bangladesh under Companies Act 1994. The Registered Office and Principal Place of business of the Companies were located at the following addresses:

Ananta Casual Wear Ltd.	- Ananta Plaza,136 Elephant Road, Dhaka
Ananta Denim Technology Ltd.	- Ananta Plaza, 136 Elephant Road, Dhaka
Ananta Fashion Ltd.	- Ananta Plaza, 136 Elephant Road, Dhaka
DNV Clothing Ltd.	- Ananta Plaza, 136 Elephant Road, Dhaka

These Companies were all subsidiaries of the Demerged Company. The Demerged Company used to own 99.9967% shares of ACWL, 99.9967% shares of ADTL, 99.99% shares of AFL and 99.975% shares of DNVCL.

In 2017, the Ananta Apparels Limited (AAL) as the then Transferee Company and Ananta Casual Wear Ltd. (ACWL), Ananta Denim Technology Ltd. (ADTL), Ananta Fashion Ltd. (AFL), and DNV Clothing Ltd. (DNVCL) as the then Transferor Companies, filed Company Matter No. 81 of 2017 under Sections 228 and 229 of the Companies Act, 1994, seeking to merge AAL with its subsidiaries: Ananta Casual Wear Ltd. (ACWL), Ananta Denim Technology Ltd. (ADTL), Ananta Fashion Ltd. (AFL), and DNV Clothing Ltd. (DNVCL), and having AAL as surviving entity.

Before the said merger of the Transferee Companies into the Demerged Company took place, the shareholding position of the then transferor companies being Ananta Casual Wear Ltd., (ACWL) Ananta Denim Technology Ltd., (ADTL) Ananta Fashion Ltd.,(AFL) and DNV Clothing Ltd. (DNVCL) are reproduced below:

Shareholding of Ananta Casual Wear Ltd.

Name of the Shareholders	% holding	No. of shares held	Amount (BDT)
Mr. Sharif Zahir	0.0033%	1	100
Ananta Apparels Ltd.	99.9967%	29,999	29,99,900
Total	100%	30,000	3,000,000

Shareholding Position of Ananta Denim Technology Ltd.

Name of the Shareholders	% holding	No. of shares held	Amount (BDT)
Mr. Sharif Zahir	0.0033%	1	100
Ananta Apparels Ltd.	99.9967%	29,999	29,99,900
Total	100%	30,000	3,000,000

Shareholding Position of Ananta Fashion Ltd.

Name of the Shareholders	% holding	No. of shares held	Amount (BDT)
Mr. Sharif Zahir	0.01%	12	1,200
Ananta Apparels Ltd.	99.99%	1,19,988	11,998,800
Total	100%	1,20,000	1,20,00,000

Shareholding Position of DNV Clothing Ltd.

Name of the Shareholders	% holding	No. of shares held	Amount (BDT)
Ananta Apparels Ltd.	99.975%	9,99,750	9,99,75,000
Brilliant Ocean Trading Ltd.	0.025%	250	25,000
Total	100%	10,00,000	10,00,00,000

b. Post-Amalgamation dated 05.09.2018:

Pursuant to the judgment dated 11.10.2017 (the **"Judgment"**) in Company Matter No. 81 of 2017, ACWL, ADTL, AFL and DNVCL were duly amalgamated into and merged with Ananta Apparels Ltd. (the "Demerged Company") in accordance with the relevant provisions of the Companies Act, 1994.

Following the merger, Ananta Apparels Ltd., had an authorized share capital of Tk. 5,50,00,00,000.00 divided into 55,00,00,000 shares of Tk 10 each. The paid-up capital of the Ananta Apparels Limited (AAL) is Tk. 288,76,02,600.00 divided into 28,87,60,260 shares of Tk. 10 each, which is held and subscribed in the following manner:

Sl.	Name	No. of Ordinary Shares	No of Pref Shares
1.	Mrs. Qamrun Nahar	1360000	-
2.	Mr. Sharif Zahir	85629000	-
3.	Mr. Asif Zahir	58437500	-
4.	Mr. Syed Ishtiaq Alam	10200000	-
5.	Brummer Frontier PE (Mauritius) Ltd.	27336000	-
6.	International Finance Corporation (IFC)	3549260	-
7.	Ananta Energy Resources Ltd	8500	-
8.	Mutual Trust Bank Limited	-	50000000
9.	United Finance Limited	-	20000000
10	National Credit and Commerce Bank Limited	-	20000000
	Sub Total	**19,87,60,260**	**9,00,00,000**
	TOTAL	**28,87,60,260**	

In addition, on 10th December 2024, pursuant to a resolution passed by the Board of Directors of Ananta Apparels Limited (AAL), 3,00,00,000 (three crore) Preference Shares of AAL, each with a face value of Tk. 10, were allotted in favour of National Credit and Commerce Bank PLC. Thereafter, by a subsequent board resolution adopted on 7th April 2025, a further 20,00,00,000 (twenty crore) Preference Shares of AAL, were issued and allotted in favour of Trust Bank PLC. After the issuance of the aforementioned Preference Shares the shareholding of AAL is as follows:

Sl.	Name	No. of Ordinary Shares	No. of Preference Shares
1.	Mrs. Qamrun Nahar	1360000	-
2.	Mr. Sharif Zahir	85629000	-
3.	Mr. Asif Zahir	58437500	-
4.	Mr. Syed Ishtiaq Alam	10200000	-
5.	Brummer Frontier PE (Mauritius) Ltd.	27336000	-
6.	International Finance Corporation (IFC)	3549260	-
7.	Ananta Energy Resources Ltd	8500	-
8.	Mutual Trust Bank Limited	-	50000000
9.	United Finance Limited	-	20000000
10.	National Credit and Commerce Bank Limited	-	50000000
11.	Trust Bank PLC	-	200000000
	Sub TOTAL	**19,87,60,260**	**32,00,00,000**
	Total	**51,87,60,260**	

As a result of the allotments mentioned above, the total issued and paid-up share capital of Ananta Apparels Limited (AAL) stands at **Tk. 518,76,02,600** (Taka Five Hundred Eighteen Crore Seventy Six Lakh Two Thousand Six hundred only), comprising **19,87,60,260** (Nineteen Crore Eighty Seven Lakh Sixty Thousand Two hundred Sixty) number of ordinary shares and 32,00,00,000 (Thirty-Two Crore) number of preference shares of Tk. 10 each.

Upon the effectiveness of the amalgamation, the said four companies stood dissolved without the process of winding up, as per the terms of the Judgment. Further, the Register of Joint Stock Companies and Firms was directed not to register any entity under the names and styles of the post Judgment dissolved Transferee Companies.

C. BACKGROUND

i. Ananta Apparels Limited pursued a merger with its subsidiaries—Ananta Casual Wear Ltd., Ananta Denim Technology Ltd., Ananta Fashion Ltd., and DNV Clothing Ltd.—with the objective of consolidating business operations under a single corporate entity. In 2017, AAL filed a company matter application, being Company Matter No. 81 of 2017, under section 228 read with section 229 of the Companies Act, 1994 seeking approval for the merger. In the said company matter application, AAL was the majority shareholder in each of the transferee companies. The merger was sanctioned by the Hon'ble High Court through a judgment dated 11.10.2017, in accordance with the Companies Act, 1994. The primary rationale for the merger was to achieve operational efficiencies, optimize resource allocation, and enhance financial performance. By consolidating its subsidiaries, Demerged Company sought to strengthen its market position, leverage economies of scale, and streamline administrative and regulatory compliance processes, ultimately aiming for greater competitiveness in both domestic and international markets.

ii. The decision to merge was also influenced by the need for better financial structuring and improved access to capital. By integrating its subsidiaries, Demerged Company anticipated achieving stronger financial stability, reduce redundancies, and enhance its ability to secure favorable financing for expansion projects. The merged entity was expected to offer a more unified operational framework, reducing internal conflicts in management, logistics, and supply chain coordination.

iii. After the merger came into effect by virtue of the Judgment, as per Clause 3.2 of the Amalgamation Scheme, all assets, rights, license, permissions, undertaking and

registrations got transferred from the transferee companies the Transferor Company and therefore all the regulatory licenses and permits & registrations issued in the name of AWCL, ADTL, AFL and DNVCL got automatically transferred by operation of law in the name of the Transferor Company. Therefore, the Transferor Company applied to respective/relevant regulators for reflecting the changes on the licenses, permissions & registrations which were in the name of AWCL, ADTL, AFL and DNVCL.

iv. The Transferor Company made representations to the concerned departments of the Government and other organizations to alter the name of DNVCL with the Transferor Company's name and identify its manufacturing unit as DNV Clothing Ltd.. The Transferor Company made representations to the concerned departments of the Government and other organizations to alter the name of ADTL with the Transferor Company's name and identify its manufacturing unit Ananta Apparels Ananta Denim Technology Ltd.. The Transferor Company made representations to the concerned departments of the Government and other organizations to alter the name of ACWL with the Transferor Company's name and identify its manufacturing unit Ananta Casual Wear Ltd..

v. The list of licenses, certifications, registrations of ACWL, ADTL, AFL and DNVCL are listed in Schedule-1 of the Scheme of Arrangement for Demerger elaborating the changes that took effect after some of the regulatory bodies effected the name change of the merged companies into the Transferor Company. Several Banks and Financial Institutions, BGMEA have consented to the name change; however several other governmental organizations and authorities have not effectuated the name change and transfer to the Transferor Company and hence created undue hardship upon the Transferor Company.

vi. Since the date of the judgment on number of occasions and after several written representations, meetings, requests, discussions the relevant regulators and authorities could not reflect in their records the legal transfer under the amalgamation scheme as approved by the Judgment. AWCL, ADTL, AFL and DNVCL along with Transferor Company having 100% export oriented companies, their primary concern pertains to the usage of Bond Warehouse. Having separate Bond licenses for each of factories location to ensure smooth operation and export of Produced/Manufacturing goods is essential.

vii. Subsequently the Transferor Company kept applying to the Bond Commissioner to give effect to the Amalgamation Scheme and reflect the transfer by altering the name of respective transferee companies to the Transferor Company's name but without any success. Eventually, BIN (VAT) licenses and other such licenses, registrations and permits of DNVCL were changed to reflect the name of the Transferor Company but Customs Commissioner did not change the name of DNVCL in respect to Bond License and other BIN and Bond Licenses remain unchaged. And it was informed that different Bond License cannot be held under different territorial jurisdiction in a single entity's name, that it, under the name of a single company there cannot be multiple bond licenses.

viii. In essence, that after the original merger the separate factories remained in separate locations, producing separate kind of export oriented products and five bond license is location specific license, one bond license cannot serve the purpose for different location and therefore the options for the Transferor Company became that it has to close down factories in different locations or the Transferor Company had to apply for demerger.

ix. The Bond License, VAT registration, and Business Identification Number (BIN) are all location-specific. The Transferor Company even after the merger, maintained the separate of the manufacturing facilities. It is now clear that the current regulatory framework does not accommodate a merged company with factories in multiple locations, particularly in the export-oriented sector. This regulatory limitation was not within the knowledge of the Transferor Company and its shareholders at the time of the merger, as the opinion from the Bond Commissionerate was known at a much later stage. Therefore, it is now imperative to restore the pre-merger status to ensure the continuity manufacturing and export from each factory location, which employs thousands of workers and significantly contributes to the country's foreign currency earnings and such shall not prejudice any entity.

x. Despite a merger took place, the Transferor Company maintained separate books of accounts (management accounts), employee benefit schemes, service records, customers' list and documentations of each of the manufacturing units or facilities and thus it would be equitable and just to restore the companies in it's pre-merger state. Thereafter, to alleviate the Transferor Company from suffering further losses and on the threat closure of manufacturing operations the Transferor Company having found no alternate avenue has considered demerging the manufacturing units resulting into AWCL, ADTL, AFL and DNVCL be restored into the pre-merger state, as much as possible, as they were before the Judgment. As a result, under the present scheme of Demerger, the respective restored and/or newly formed entities will be named Ananta Casual Wear Ltd, Ananta Denim Technology Ltd, Ananta Fashion Ltd, and DNV Clothing Ltd.

D. RATIONALE FOR THE SCHEME

i. The rational for demerger is that following the Judgment, Tranferor Company at its implementation faced significant operational and regulatory challenges, preventing seamless execution. One of the foremost issues was the jurisdictional and regulatory divergence between the formerly independent entities. The subsidiaries operated under different Customs Bond Commissionerate, each with distinct customs clearance procedures, tax regulations, and duty-free facilities. As the regulators could not in practice ensure that one export oriented company can operate 100% export operation from factories at different locations under jurisdiction of different Bond Commissionerate the de-merger is the only viable solution left to protect the interest of employees, customers, shareholders and other stakeholders as a whole.

ii. Each of the manufacturing units merged under the terms of the Judgment had distinct product lines, including denim, casual wear, and outerwear, each requiring separate bond licenses. The attempt to unify these diverse operations under a single corporate structure but without having continuation of licenses, permits etc. as envisaged under the Judgment and amalgamation scheme in the merged entities' name resulting in inefficiencies, logistical challenges, and an inability to fully capitalize on the unique strengths of each business unit.

iii. The companies involved in the merger derive benefits from industrial licenses that confer duty-free privileges. However, certain entities operate under distinct regulatory frameworks whereby their import and export activities are governed by specific customs mechanisms, such as Import Permission (IP), Export Permission (EP), and the Utilization Declaration (UD) system applicable to Export Processing Zones (EPZs) and non-EPZ areas, classified respectively as tariff and non-tariff zones. The disparity in these customs regimes, particularly in relation to the availability of duty-free facilities, has introduced considerable complexity into the merger process due to lack of regulatory framework. In short, after the merger, if different manufacturing units, (entitites operated under each subsidiary) were allowed to operate as usual, just in the name of the Transferor Company, the purpose of the merger would have been achieved but due to the lack of regulation this has become impossible.

iv. The Transferor Company also faced resistance due to ongoing delays in harmonizing operational structures across multiple locations. Each of the former subsidiaries had previously operated independently, with different cost structures, labour management policies, and supplier contracts. The integration process required extensive reworking of existing agreements, human resource policies, and production workflows. These adjustments created uncertainty among suppliers, employees, and stakeholders, adding to the complexity of post-merger implementation. A critical consequence of these difficulties has been the direct impact on the Transferor Company's business viability. The Transferor Company employs a substantial workforce and relies entirely on exports for revenue generation. However, due to the regulatory and operational hurdles faced post-merger, business activities have been severely hindered. If the demerger is not effectuated, the Transferor Company faces the imminent risk of business closure, of acquired manufacturing units which would result in irreparable financial losses and the displacement of its entire workforce. Given these circumstances, reversing the merger has become imperative to safeguard business continuity, protect employment, and mitigate the risk of severe financial and operational repercussions.

E. PARTS OF THE SCHEME

4. This Scheme is divided into the following parts:

I. **Part I** deals with definitions of the capitalized terms and interpretations used in this Scheme and sets out the share capital of the Demerged Company/Transferor Company, Transferee Companies.

II. **Part II** deals with the demerger of the Ananta Casual Wear Business Undertaking of Demerged Company/Transferor Company into the ACWL, consideration for Demerger and the accounting treatment for Demerger.

III. **Part III** deals with the demerger of the Ananta Denim Tech. Business Undertaking of Demerged Company/Transferor Company into the ADTL, consideration for Demerger and the accounting treatment for Demerger.

IV. **Part IV** deals with the demerger of the Ananta Fashion Business Undertaking of Demerged Company/Transferor Company into the AFL, consideration for Demerger and the accounting treatment for Demerger.

V. **Part V** deals with the demerger of the DNV Clothing Business Undertaking of Demerged Company/Transferor Company into the DNVCL, consideration for Demerger and the accounting treatment for Demerger

VI. **Part VI** deals with the general terms and conditions applicable to this Scheme and other matters consequential and integrally connected thereto.

PART I

F. DEFINITION AND INTERPRETATIONS

5. In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meaning:

(a) "**Act**" means the Companies Act, 1994, including any statutory modifications, re-enactments or amendments thereof from time to time;

(b) **"Appointed Date"** means 1st day of July 2025 or such other date as the Court may direct;

(c) "**Applicable Law(s)**" means any applicable central, provincial, local or other law including all applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, S.R.O.s circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority. court, tribunal having jurisdiction over the Parties; (b) Permits; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the parties.

(d) "**Appropriate Authority(ies)**" or "**Government Authority(ies)**" means any governmental, government authority, quasi-governmental or private body, agency, or entity lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing, or other governmental or quasi-governmental authority. It also encompasses any local authority, statutory body, legislative body, regulatory or administrative authority, agency, or commission, as well as any court, tribunal, board, bureau, instrumentality, arbitration, or arbitral body having jurisdiction.

(e) "**Board of Directors**" means the board of directors of the Demerged Company/ Transferor Companies, as the case may be, and shall include a duly constituted committee thereof;

(f) "**Business**" means the manufacturing of readymade garments (RMG) specializing in the production of woven bottoms, suits and sweaters;

(g)"**Capital Reserve**" means the surplus of asset value over account balance of Transferee Company on Appointed Date;

(h)"**Effective Date**" or "**Coming into effect of this Scheme**" or "**effective of this Scheme**" means last the date on which the certified true copy of the order of the Court sanctioning the Scheme has been filed with the Registrar of Joint Stock Companies ("RJSC") by the Demerged Company/Transferor Company and Transferee Company.

(i) "**High Court Division**" means the Hon'ble High Court Division of the Supreme Court of Bangladesh having jurisdiction in relation to the Demerged Company/Transferor Company and the Transferee Companies;

(j) "**Liabilities**" means secured and unsecured debts (whether in Taka or in foreign currencies), all liabilities, duties and obligations, along with any charge, encumbrance, lien or security thereon;

(k) "Record Date" means 1st July 2025, or such other date as may be fixed by the Board of Directors of the Transferor Company or any committee thereof, for the purpose of determining the names of the equity shareholders of the Transferee Companies who shall be entitled to receive the consideration from the respective Transferee Company upon the Scheme coming into effect.

(l) "**Remaining Business**" shall mean the whole of the assets, properties, liabilities and the undertaking(s) and all the businesses of the Demerged Company/Transferor Company excluding the following business undertakings:

i. Ananta Casual Wear Business Undertaking.
ii. Ananta Denim Tech. Business Undertaking.
iii. Ananta Fashion Business Undertaking.
iv. DNV Clothing Business Undertaking.

(m) "**Transferee Companies**" means four individual companies that would be and/or newly formed following the demerger from Demerged Company, bearing the following names and addresses:

i. Ananta Casual Wear Ltd. - Ananta Plaza, 136 Elephant Road, Dhaka;
ii. Ananta Denim Technology Ltd.- Ananta Plaza, 136 Elephant Road, Dhaka;
iii. Ananta Fashion Ltd.- Ananta Plaza, 136 Elephant Road, Dhaka;
iv. DNV Clothing Ltd.- Ananta Plaza, 136 Elephant Road, Dhaka;

(n)"**Demerged Company/Transferor Company**" means Ananta Apparels Limited, a private limited company by shares, was incorporated on 19th July 1992 vide registration no. C – 22434(841)/92 as a private company limited by shares in Bangladesh under the Companies Act, 1994. The address of the Company's Registered Office is Ananta Plaza, 136, Elephant Road, Dhaka 1205, Bangladesh;

(o) "**Scheme**" or "**Scheme of Arrangement of Demerger**" or "**Demerger Scheme**" means this Scheme in its present form or with any modifications, as approved or imposed or directed by the Board of Directors of the Transferor Company and the Transferee Companies or by the members or by the High Court Division;

(p)"**Shareholders**" means the shareholders existing in Schedule X of the Transferor Companies;

(q)"**Ananta Casual Wear Business Undertaking**" shall mean the erstwhile business undertaking of ACWL for manufacturing of ready-made garments and import/export having its manufacturing unit located at: Kunia, K.B. Bazar, Joydebpur Dorga Bazar,

Gazipur-1700, on a going concern basis (including but not limited to assets, liabilities, encumbrances, agreements, records, employees, whatsoever) before the amalgamation into the Demerged Company pursuant to the Judgment and any additions there to until the Appointment Date.

(r) "**Ananta Denim Tech. Business Undertaking**" shall mean the erstwhile business undertaking of ADTL for manufacturing of ready-made garments and import/export on a going concern basis having its manufacturing unit located at: Khaspara, Kanchpur, Sonargaon, Narayanganj-1430, before the amalgamation into the Demerged Company pursuant to the Judgment and any additions there to until the Appointment Date.

(s) "**Ananta Fashion Business Undertaking**" shall mean the erstwhile business undertaking of AFL for manufacturing of ready-made garments and import/export on a going concern basis having its manufacturing unit located at: 136, Elephant Road, Dhanmondi, Dhaka-1205, before the amalgamationinto the Demerged Company pursuant to the Judgment and any additions there to until the Appointment Date.

(t) "**DNV Clothing Business Undertaking**" shall mean the erstwhile business undertaking of DNVCL for manufacturing of ready-made garments and import/export on a going concern basis having its manufacturing unit located at: 100 & 101, Adamjee EPZ, Siddirganj, Narayanganj 1430, before the amalgamation into the Demerged Company and any additions there to until the Appointment Date.

6. All terms and words not defined in this Scheme shall, unless repugnant or contrary to the content or meaning thereof have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, by-laws as the case may be or any statutory modifications or reenactment thereof from time to time. Furthermore, this Scheme, unless the context otherwise requires:

i. Words denoting singular shall include plural and vice versa.
ii. Headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation.
iii. References to the word "include" or "including" shall be construed without limitation.
iv. Any reference to a clause, part, annexure, or schedule is, unless indicated to the contrary, a reference to a clause, part, annexure or schedule of this Scheme.
v. Unless otherwise defined, the reference to the word "days" shall mean calendar days,
vi. Reference to a document includes an amendment or supplement to, or replacement or novation of, that document.
vii. Word(s) and expression(s) elsewhere defined in this Scheme will have the meanings respectively ascribed to them.

G. SHARE CAPITAL

7. Under Company Matter No. 81 of 2017 during the merger, the Transferor Company's shares in each subsidiary were cancelled, now the Transferor Company seeks to restore their shareholding. In other words the proposed scheme of Demerger aims that the Shareholding structure is restored to its pre-merger state before the Judgment came into effect. Thus the Transferor Company will hold 99% shareholdings in each of the restored and/or newly formed companies. Additionally, in the restored and/or newly formed companies, 100 shares in Ananta Causal Wear Ltd, 100 shares in Ananta Denim Technologies Ltd , 1200 shares in Ananta Fashion Ltd and 250 shares in DNV Clothing Ltd shall be registered in the name of Mr. Sharif Zahir, to reflect the almost the same shareholding as prior to the merger. That it is stated that, in consideration of the assets being transferred under the Scheme of Arrangement for Demerger to each of the restored and/or newly formed companies, the previously issued shares, which were cancelled, shall be registered under the name of the Transferor Company. Additionally, 100 shares, 100 shares and 1200 shares shall be registered in the name of Mr. Sharif Zahir, in the restored and/or newly formed companies to reflect the almost the same shareholding as prior to the merger. The Transferor Company's shareholding position shall remain the same.

8. *Demerged Company/ Transferor Company*

The description of the share capital of the Demerged Company/Transferor Company as on 31st December 2023 is as set out below:

Following the merger, Ananta Apparels Ltd., had an authorized share capital of Tk. 5,50,00,00,000.00 divided into 55,00,00,000 shares of Tk 10 each. The paid-up capital of the Ananta Apparels Limited (AAL) is Tk. 288,76,02,600.00 divided into 28,87,60,260 shares of Tk. 10 each, which is held and subscribed in the following manner:

Sl.	Name	No. of Ordinary Shares	No of Pref Shares
1.	Mrs. Qamrun Nahar	1360000	-
2.	Mr. Sharif Zahir	85629000	-
3.	Mr. Asif Zahir	58437500	-
4.	Mr. Syed Ishtiaq Alam	10200000	-
5.	Brummer Frontier PE (Mauritius) Ltd.	27336000	-
6.	International Finance Corporation (IFC)	3549260	-
7.	Ananta Energy Resources Ltd	8500	-
8.	Mutual Trust Bank Limited	-	50000000
9.	United Finance Limited	-	20000000
10.	National Credit and Commerce Bank Limited	-	20000000
	Sub Total	**19,87,60,260**	**9,00,00,000**
	TOTAL	**28,87,60,260**	

In addition, on 10th December 2024, pursuant to a resolution passed by the Board of Directors of Ananta Apparels Limited (AAL), 3,00,00,000 (three crore) Preference Shares of AAL, each with a face value of Tk. 10, were allotted in favour of National Credit and Commerce Bank PLC. Thereafter, by a subsequent board resolution adopted on 7th April 2025, a further 20,00,00,000 (twenty crore) Preference Shares of AAL, were issued and allotted in favour of Trust Bank PLC. After the issuance of the aforementioned Preference Shares the shareholding of AAL is as follows:

Sl.	Name	No. of Ordinary Shares	No. of Preference Shares
1.	Mrs. Qamrun Nahar	1360000	-
2.	Mr. Sharif Zahir	85629000	-
3.	Mr. Asif Zahir	58437500	-
4.	Mr. Syed Ishtiaq Alam	10200000	-
5.	Brummer Frontier PE (Mauritius) Ltd.	27336000	-
6.	International Finance Corporation (IFC)	3549260	-
7.	Ananta Energy Resources Ltd	8500	-
8.	Mutual Trust Bank Limited	-	50000000
9.	United Finance Limited	-	20000000
10.	National Credit and Commerce Bank Limited	-	50000000
11.	Trust Bank PLC	-	200000000
	TOTAL	**18,65,20,260**	**32,00,00,000**

As a result of the allotments mentioned above, the total issued and paid-up share capital of Ananta Apparels Limited (AAL) stands at **Tk. 50,65,20,260** (Taka Fifty Crore Six-Five Lakh Twenty Thousand Two hundred Sixty only), comprising **Tk. 18,65,20,260** (Taka Eighteen Crore Six-Five Lakh Twenty Thousand Two hundred Sixty only) ordinary shares and 32,00,00,000 (Thirty-Two Crore) preference shares of Tk. 10 each.

9. *Transferee Companies or Restored Companies*

a. The proposed shareholding position for each of the restored entities and/or newly formed companies would be as follows:

Shareholding of Ananta Casual Wear Ltd.

Name of the Shareholders	% holding	No. of shares held	Amount (BDT)
Mr. Sharif Zahir	0.0033%	1	100
Ananta Apparels Ltd.	99.9967%	29,999	29,99,900
Total	100%	30,000	3,000,000

Shareholding Position of Ananta Denim Technology Ltd.

Name of the Shareholders	% holding	No. of shares held	Amount (BDT)
Mr. Sharif Zahir	0.0033%	1	100
Ananta Apparels Ltd.	99.9967%	29,999	29,99,900
Total	100%	30,000	3,000,000

Shareholding Position of Ananta Fashion Ltd.

Name of the Shareholders	% holding	No. of shares held	Amount (BDT)
Mr. Sharif Zahir	0.01%	12	1200
Ananta Apparels Ltd.	99.99%	1,19,988	1,19,98,800
Total	100%	2,00,000	2,00,00,000

Shareholding Position of DNV Clothing Ltd.

Name of the Shareholders	% holding	No. of shares held	Amount (BDT)
Ananta Apparels Ltd.	99.975%	9,99,750	9,99,75,000
Mr. Sharif Zahir	0.025%	250	25,000
Total	100%	10,00,000	10,00,00,000

*NB: Prior to the merger, Brilliant Ocean Trading Ltd., a foreign entity, held a 0.025% equity stake in DNV Clothing Ltd. (DNVCL), amounting to 250 shares. However, pursuant to a corporate restructuring process and in accordance with the Judgment and Order dated 11.10.2017 and Clause 6.2 of the Amalgamation Scheme, the said foreign entity was fully paid out. As a result of this legal and financial settlement, Brilliant Ocean Trading Ltd. no longer holds any shares, rights, or financial interests in the entity that emerged following the approval of the merger. Consequently, in the context of the present demerger of DNVCL, the corresponding 0.025% shareholding will be reallocated to Mr. Sharif Zahir, as determined by the shareholding structure of the newly demerged company.

PART II
DEMERGER, TRANSFER AND VESTING OF ANANTA CASUAL BUSINESS UNDERTAKING OF DEMERGED COMPANY/TRANSFEROR COMPANY INTO ANANTA CASUAL WEAR LTD.

10. GENERAL

Upon coming into effect of the Scheme and with effect from the Appointed Date and pursuant to the provisions of Sections 228, 229 and all other applicable provisions, if any of the Act, the Ananta Casual Wear Business Undertaking of the Demerged Comapany/Transferor Company shall, without any further act, instrument or deed, be and stand transferred to or vested in the respective Transferee Companies as going concern so as to become and from the Appointed Date, a part and parcel of the assets, rights, titles and interests and authorities and undertakings of the Transferee Company 1/ACWL.

11. TRANSFER OF ASSETS

a. Without prejudice to the generality of Clause 10 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

a. All assets, rights, title, interests authorities and properties comprised in the Ananta Casual Wear Business Undertaking of the Transferor Company, of whatsoever nature and wheresoever, whether or not included in the books of the Demerged Company on or after the Appointed Date shall, under the provisions of Section 228 and 229 of the Act, and all other applicable provisions, if any, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company 1/ACWL on a going concern basis so as to become the assets and properties of the Transferee Company 1/ACWL upon the coming into effect of this Scheme pursuant to the provisions of the Act;

i. Without prejudice to Clause para 11(a)(i) above, in respect of such assets and properties pertaining to the Ananta Casual Wear Business Undertaking of Demerged Company/Transferor Company as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Demerged Company and shall, upon such transfer, become the assets and properties of the Transferee Company 1/ACWL as an integral part of the Ananta Casual Wear Business Undertaking, without requiring any separate deed or instrument or conveyance for the same in pursuance of the provisions of Section 229(2) and other applicable provisions of the Act;

ii. In respect of movables other than those dealt with in Section 11(a)(ii) above, assets and liabilities including sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government Authority, quasi government, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company 1/ACWL without any notice or other intimation to the debtors (although the Transferee Company 1/ACWL may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositee, as the case may be, that the said debt, advance, balance or deposit stands transferred and vested in the Transferee Company 1/ACWL);

iii. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all quality certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other intellectual property and all other interests relating to the goods or services being dealt with by the Ananta Casual Wear Business Undertaking, be transferred to and vested in the Transferee Company 1/ACWL. Insofar as the various incentives, subsidies (including applications for subsidies), rehabilitation schemes, grants, special status and other benefits or privileges enjoyed, granted by any Government Authority, local authority or by any other person, or availed of by the Demerged Company/Transferor Company are concerned, the same shall, without any further act or deed, in so far as they relate to the Ananta Casual Wear Business

Undertaking, vest with and be available to the Transferee Company 1/ACWL on the same terms and conditions.

iv. All consents, permissions, licenses, permits, quotas, approvals, certificates, clearances, authorities, leases, tenancy, assignments, allotments, registrations, incentives, subsidies, concessions, grants, rights, IPRs, claims, liberties, special status, other benefits or privileges and any power of attorney given by, issued to or executed in favour of, enjoyed or conferred upon or held or availed by the Ananta Casual Wear Business Undertaking of Demerged Company/Transferor Company and all rights and benefits, which have accrued to or may be accrued in before the Effective Date, shall, under the provisions of this Scheme, Section 228 to 229 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company 1/ACWL so as to become from the Appointed Date, consents, permissions. Licenses, permits, quotas, approvals, certificates, clearances, authorities, leases, tenancy, assignments, allotments, registrations, incentives, subsidies, concessions, grants, rights, IPRs, claims, liberties, special status, other benefits or privileges of the Transferee Company 1/ACWL shall remain valid, effective and enforceable on the same terms and conditions.

In addition to the general consents, permissions, licenses, and approvals mentioned herein, the following specific consents, licenses, and permissions shall also be transferred to/restored/continued and vested in ACWL as per Schedule 1(A).

v. All immoveable property, whether or not included in the books of the Demerged Company/Transferor Company, whether freehold or leasehold (including but not limited to land, buildings, sites, tenancy rights related thereto, and immovable properties and any other document of title, rights, interest and easements in relation thereto) of the Ananta Casual Wear Business Undertaking shall stand transferred to and be vested in the Transferee Company 1/ACWL, without any act or deed to be done or executed by the Demerged Company/Transferor Company and/or Transferee Company 1/ACWL.

vi. Insofar as the assets comprised in the Ananta Casual Wear Business Undertaking of Demerged Company/Transferor Company are concerned, the security or charge over such assets relating to any loans, debentures or borrowing or guarantee of the Demerged Company/Transferor Company, which are in connection with the Ananta Casual Wear Business Undertaking, shall without any further act or deed be transferred along with Ananta Casual Wear Business Undertaking to the Transferee Company 1/ACWL.

vii. Where the Demerged Company/Transferor Company is entitled to various benefits under incentive schemes and policies in relation to the Ananta Casual Wear Business Undertaking and pursuant to this Scheme, it is declared that the benefits under all such schemes and policies shall be transferred to and vest in the Transferee Company 1/ACWL and all benefits, entitlements and incentives of any nature whatsoever shall be claimed by the Transferee Company 1/ACWL and these shall relate back to the Appointed Date as if the Transferee Company 1/ACWL was originally entitled to all benefits under such incentive scheme and/or policies, subject to continued compliance by the Transferee Company 1/ACWL of all the terms and conditions subject to which the benefits under the incentive schemes were made available to the Demerged Company/Transferor Company.

12. TRANSFER OF LIABILITIES

a. Without prejudice to the generality of para 11 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

   i. All the loans raised and utilized, and all liabilities, duties and obligations incurred or undertaken by the Demerged Company/Transferor Company in relation to the activities or operations of the Ananta Casual Wear Business Undertaking or as acquired on or after the Appointed Date shall, to the extent they are outstanding on the Effective Date, under the provisions of this Scheme, Sections 228 and 229 of the Act, and all other applicable provisions, if any, shall, without any further act or deed, be and stand transferred and vested to or deemed to have been transferred and vested to the Transferee Company 1/ACWL and shall become the loans, liabilities, duties and obligations of the Transferee Company 1/ACWL, on the same terms and conditions, which shall undertake to meet, discharge and satisfy the same and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the consent or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme. In addition, all specific charges (fixed and floating) created on any specific unit shall continue to remain with the respective lenders and other lenders shall not have any right over the specific charges created.

   ii. Without prejudice to the provisions of 12(a)(i) above, all general and multipurpose liabilities and borrowings including fund-based and non-fund based limits sanctioned by the lenders to the Demerged Company/Transferor Company will be allocated and transferred to the Transferee Company 1/ACWL based on mutual agreement between the board of directors of the Demerged Company/Transferor Company and the Transferee Company 1/ACWL.

b. All specific loans and borrowings, raised and used, and all liabilities and obligation incurred and utilized by the Demerged Company/Transferor Company solely for the operations and activities of Ananta Casual Wear Business Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company 1/ACWL and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed be and stand transferred to the Transferee Company 1/ACWL and shall become liabilities and obligations of the Transferee Company 1/ACWL which shall undertake to meet and discharge and satisfy the same.

c. Where any of the debts, liabilities and obligations of the Demerged Company/Transferor Company relating to the Ananta Casual Wear Business Undertaking as on the Appointed Date is deemed to be transferred to the Transferee Company 1/ACWL, have been discharged by the Demerged Company/Transferor Company after the Appointed Date but before the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company 1/ACWL and the Transferee Company 1/ACWL shall promptly upon demand by the Demerged Company make good and pay the same to the Demerged Company/Transferor Company.

d. The Transferor Company may, if required, give notice in such form as it may deem fit and proper to each party, debtor or borrower as the case may be, that pursuant to the High Court Division sanctioning the Scheme, the said debt, loan, advance, etc. be paid or made good or held on account of the Transferee Company 1/ACWL as the person entitled thereto;

e. The Transferee Company 1/ACWL may, if required, give notice in such form as it may deem fit and proper to each person, debtor or borrower that pursuant to the High Court Division having sanctioned the Scheme, the said person, debtor or borrower shall pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company 1/ACWL to recover or realise the same is in submission of the right of the Transferor Company.

13. ENCUMBRANCES

a. The transfer and vesting of the assets comprised in the Ananta Casual Wear Business Undertaking of the Demerged Company/Transferor Company to and in the Transferee Company 1/ACWL under this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided:

   i. All the existing securities, mortgages, charges, encumbrances or liens ("Encumbrances"), if any, as on the Appointed Date and created by the Demerged Company/Transferor Company after the Appointed Date over the assets comprised in the Ananta Casual Wear Business Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Demerged Company/Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred and vested in the Transferee Company 1/ACWL, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company provided however that no Encumbrances shall have been created by the Demerged Company/Transferor Company over its assets after the date of filing of the Scheme without the prior written consent of the Board of Directors of the Transferee Company 1/ACWL.

   ii. Unless provided for otherwise in this Scheme, upon the coming into effect of this Scheme, the Transferee Company 1/ACWL alone shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of the Scheme.

b. Without prejudice to the provisions of the foregoing Sections and upon the effectiveness of this Scheme, the Transferor Company and the Transferee Company 1/ACWL shall execute any instruments or documents or do all the acts and deeds as may be required including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Joint Stock Companies and Firms and other regulatory bodies, if required by law, having Jurisdiction to give formal effect to the above provisions, if required;

c. It is expressly provided that no other term or condition of the liabilities transferred to the Transferee Company 1 /ACWL is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication. Furthermore, the ranking among the lenders of the Transferor Company shall remain unaltered upon effectiveness of this Scheme and the lenders shall execute Pari Passu Security Sharing Agreement.

14. CONTRACTS, DEEDS AND OTHER INSTRUMENTS, ETC

a. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments, of whatsoever nature, to which the Demerged Company/Transferor Company is a party or to the benefit of which the Demerged Company/Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, so far as it relates to Ananta Casual Wear Business Undertaking, shall continue in full force and effect by, for or against or in favour of as the case may be, the Transferee Company 1/ACWL and may be enforced as fully and effectually as if instead of the Demerged Company/Transferor Company, the Transferee Company 1 /ACWL had been a party or beneficiary or obligee or obligor thereto or thereunder, subject to such changes and variations in the terms, conditions and provisions thereof as may be mutually agreed to between Transferee Company 1/ACWL and other parties thereto. Transferee Company 1/ACWL shall enter and/or issue and/or execute deeds, writings or confirmations or enter into any arrangement, confirmations or novation in order to give formal effect to the provisions of this Clause 14(a), if so required or if it becomes necessary by law or by any other arrangement.

b. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions,

licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company/Transferor Company to the extent related to Ananta Casual Wear Business Undertaking shall, without any further act or deed, stand transferred to the Transferee Company 1 /ACWL, as if the same were originally given by, issued to or executed in favour of the Transferee Company 1 /ACWL, and the Transferee Company 1 /ACWL shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company 1 /ACWL. The Transferee Company 1 /ACWL shall receive relevant approvals from the appropriate authorities as may be necessary in this behalf.

c. The Transferee Company 1/ACWL shall be entitled to the benefit of all insurance policies, if any, issued in respect of the Transferor Company only in relation to its Ananta Casual Wear Business Undertaking and the name of the Transferee Company 1 /ACWL, shall be substituted as "Insured" in the policy as if the Transferee Company 1 /ACWL was initially a party.

15. STANDSTILL PROVISIONS TILL EFFECTIVE DATE

For the period from the Appointed Date and up to the Effective Date:

a. With effect from the Appointed Date and up to and including the Effective Date, all general and indivisible profits or incomes accruing or arising to the Demerged Company/Transferor Company and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profit and income) by the Demerged Company/Transferor Company, shall, unless the same are distinctly identifiable as relating and attributable to the Ananta Casual Wear Business Undertaking, for all purposes, be treated and be deemed to be and accrued as the profits or incomes or as the case may be, expenditure or losses (including taxes) of the Demerged Company.

b. Any of the rights, powers, authorities and privileges attached or related or pertaining to Ananta Casual Wear Business Undertaking and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and behalf of and as its trustee and agent for the Transferee Company 1/ACWL. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Ananta Casual Wear Business Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company 1/ACWL;

c. With effect from the Appointed Date and up to and including the Effective Date, the Transferor Companies shall carry on and shall be deemed to have carried on all its business and activities relating to Ananta Casual Wear Business Undertaking as hitherto and shall hold and stand possessed shall be deemed to have held and stood possessed of all its assets and properties in relation to its Ananta Casual Wear Business Undertaking, on account of, and for the benefit of and in trust for, the Transferee Company 1 /ACWL. The Demerged Company shall hold the said assets with utmost prudence until the Effective Date.

d. The Demerged Company/Transferor Companies shall preserve and carry on Ananta Casual Wear Business Undertaking with reasonable diligence and business prudence and shall not, alter or diversify their respective businesses nor venture into any new businesses, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except the ordinary course of business without the prior consent of the Transferee Company 1/AACWL or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of each of the Transferor Company and the Transferee Company 1/ACWL.

16. ACCOUNTING TREATMENTS OF ASSETS, LIABILITIES AND RESERVES AND SURPLUS OF THE TRANSFEROR COMPANY IN THE BOOKS OF THE TRANSFEREE COMPANY 1/ACWL:

16.1 *Accounting Treatment in the Books of the Transferee Company 1/ACWL*

a. Upon coming into effect of this Scheme and with effect from the Appointed Date, for the purposes of accounting for and dealing with the value of the assets and liabilities of the Ananta Casual Wear Business Undertaking of the Demerged Company/Transferor Company in the Books of the Transferee Company 1/ACWL, the assets and liabilities of the Transferor Company on the basis in their respective audited financial statement for the year ending 30th June 2024 and provisional financial statements as of the Appointed Date shall be accounted subject to any changes.

b. Transferee Company 1/ACWL shall credit the aggregate face value/nominal value of new shares issued by it to the shareholders of Demerged Company/Transferor Company to the Share Capital Account in its books of accounts.

c. The Transferee Company 1/ACWL shall, from Appointed Date to the Effective Date, record in its books of account, all transactions of the Ananta Casual Wear Business Undertaking of the Demerged Company in respect of assets, liabilities, income and expenses, to the extent such transactions are capable of being distinctly identified as relatable and attributable to the Ananta Casual Wear Business Undertaking.

d. Any excess of the net assets of the Transferor Company over the paid-up value of the shares, pursuant to this Scheme shall be transferred and credited to the "Capital Reserve" in the books of the Transferee Company.

16.2 Accounting Treatment in the books of the Demerged Company/Transferor Company

a. The Demerged Company/Transferor Company shall reduce from its books, the book value of assets and liabilities along with relatable provisions, if any, demerged as part of the Ananta Casual Wear Business Undertaking to Transferee Company 1/ACWL, pursuant to the Scheme.

b. The difference arising pursuant to the net assets (assets less liabilities) of the Ananta Casual Wear Business Undertaking of the Demerged Company/Transferor Company transferred to the Transferee Company 1/ACWL shall be adjusted with the Capital Reserve/Securities Premium/ Retained earnings or any other reserves of the Demerged Company as on Appointed Date in accordance with applicable accounting standard.

17. DIVIDEND

From the date of filing the Scheme to the Effective Date:

a. except as expressly contemplated or permitted by any decision of the Board of Directors of the Transferee Company 1/ACWL, the Transferor Company shall not declare/or pay dividends or other distribution payable in cash, stock, property or otherwise with respect to any of its capital stock;

b. The Transferor Company, except as mentioned otherwise in this Scheme, shall not issue or allot any shares, right shares, or bonus shares or any other security converting into equity or other share capital or obtain any other financial assistance converting into equity or other share capital, unless agreed to by the Board of Directors of the Transferee Company 1/ACWL;

c. The Transferee Company 1/ACWL shall be entitled to declare and pay dividends, whether interim or final, to their ordinary shareholders in respect of the accounting period after the Appointed Date and prior to the Effective Date;

d. Until the coming into effect of the Scheme, the holders of equity shares of the Transferor Companies and the Transferee Company 1/ACWL shall, save as expressly provided otherwise in this Scheme continue to enjoy their existing respective rights under their respective Articles of Association. It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and/or the Transferee Company 1/ACWL to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and the Transferee Company 1/ACWL and subject to, wherever necessary, the approval of the shareholders of the Transferor Company and the Transferee Company 1/ACWL, respectively.

18. LEGAL PROCEEDINGS

a. Upon coming into effect of the Scheme, on and from the Appointed Date, all suits, actions, claims and legal proceedings, if any, by or against the Demerged Company/Transferor Company in respect of Ananta Casual Wear Business Undertaking pending and/or arising on or before the Effective Date shall be continued and/or enforced by or against the Transferee Company 1/ACWL as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or pending and/or arising by or against the Transferee Company 1/ACWL. Following the Effective Date, the Transferee Company 1/ACWL undertakes to have all legal or other proceedings initiated by or against the Demerged Company, to the extent they relate to Ananta Casual Wear Business Undertaking, and doing so is practically feasible, transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company 1/ACWL to the exclusion of the Demerged Company.

b. All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitration, execution proceedings, revisions, writ petitions, if any) by or against Demerged Company/Transferor Company in respect of Ananta Casual Wear Business Undertaking shall not abate, be discontinued or be in any way prejudicially affected by reasons of this Scheme or the transfer of the Ananta Casual Wear Business Undertaking or of anything contained in this Scheme, but the said proceedings shall till the Effective Date be continued, prosecuted and enforced by or against Demerged Company as if this Scheme had not been made and thereafter be continued, prosecuted and enforced by or against Transferee Company 1/ACWL in the same manner and to the same extent as they would or might have been continued, prosecuted, enforced by or against Demerged Company if this Scheme had not been made.

c. The Transferee Company 1/ACWL will undertake to have all legal or other proceedings initiated by or against the Transferor Company referred to in clause 18(a) above transferred to its name and to have the name continued, prosecuted and enforced by or against the Transferee Company 1/ACWL to the exclusion of the Demerged Company/Transferor Company. Both companies shall make relevant applications in that behalf.

d. Notwithstanding the above, in case the proceedings referred to in 18(a) above cannot be transferred for any reason, the Demerged Company/Transferor Company shall defend the same in accordance with the advice of the Transferee Company 1/ACWL and at the cost of the Transferee Company 1/ACWL, and the Transferee Company 1/ACWL shall reimburse, indemnify and hold harmless the Demerged Company/Transferor Company against all liabilities and obligations incurred by the Demerged Company/Transferor Company in respect thereof.

e. If proceedings are taken against the Demerged Company in respect of the Ananta Casual Wear Business Undertaking on or after the Appointed Date, the Demerged Company shall defend the same in accordance with the advice of the Transferee Company 1/ACWL and at the cost of the Transferee Company 1/ACWL. The latter shall reimburse and fully indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

19. EMPLOYEES

a. Upon coming into effect of this Scheme, the permanent employees of the Demerged Company/Transferor Company to the Ananta Casual Wear Business Undertaking who are in employment with the Demerged Company as on the Effective Date shall become the permanent employees of the Transferee Company 1/ACWL ("Transferred Employees") with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favorable than those on which they are engaged or employed by the Demerged Company/Transferor Company. The Transferee Company 1/ACWL undertakes to continue to abide by any agreement/settlement, if any, entered into by the Demerged Company/Transferor Company relating to the Ananta Casual Wear Business Undertaking with any union/employee of the Demerged Company/Transferor Company. The Transferee Company 1/ACWL agrees that for the purpose of any payment of any compensation, gratuity and other termination benefits, the past services of the Transferred Employees with the Demerged Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.

b. Insofar as the existing provident fund trusts, gratuity funds, pension and/or superannuation fund or any other fund trusts created by the Demerged Company/Transferor Company for its employee (including the Transferred Employees) are concerned, the part of the funds referable to the Transferred Employees shall be continued for the benefit of the Transferred Employees pursuant to this Scheme in the manner provided hereinafter. The Transferee Company 1/ACWL shall have the obligation to take all necessary steps to set up its own funds as soon as practicable. In the event that the Transferee Company 1/ACWL has set up its own funds, the amounts in such funds in respect of contributions of the Demerged Company pertaining to the Transferred Employees of the Ananta Casual Wear Business Undertaking shall, subject to the necessary approvals and permissions, if any, be transferred to the relevant funds of the Transferee Company 1/ACWL. Until such time that the Transferee Company 1/ACWL creates its own fund, the Transferee Company 1/ACWL may, subject to necessary approvals and permissions, if any, continue to contribute in respect of the Transferred Employees, to the relevant funds of the Demerged Company. At the time that the Transferee Company 1/ACWL creates its own funds, the contributions pertaining to the Transferred Employees shall be transferred to the funds created by the Transferee Company 1/ACWL. Without prejudice to the generality of the foregoing, any such funds and the investments made out of such funds shall upon the coming into effect of this Scheme, be transferred to the Transferee Company 1/ACWL to be held for the benefit of the concerned employees.

c. With effect from the first of the dates of filing of this Scheme with the Court and up to and including the Effective Date the Demerged Company/Transferor Company shall not vary the terms and conditions of employment of any of Transferred Employees relating to Ananta Casual Wear Business Undertaking, except with the prior written consent of the Transferee Company 1/ACWL.

20. TAXES/DUTIES ETC

a. All taxes (including, without limitation, income tax, advance tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, paid or payable by the Demerged Company/Transferor Company in respect of the operations and/or the profits of the Ananta Casual Wear Business Undertaking before the Appointed Date, shall be on account of the Demerged Company/Transferor Company and, insofar as it relates to the tax payment (including, without limitation, income tax, minimum tax, dividend distribution tax, sales tax, VAT, excise duty, customs duty, services tax, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Demerged Company/Transferor Company in respect of the profits or activities or operations of the Ananta Casual Wear Business Undertaking of the Demerged Company/Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company 1/ACWL, and, shall, in all proceedings, be dealt with accordingly.

b. On the Scheme becoming effective, the Transferee Company 1/ACWL shall be entitled to file/revise its Income Tax Returns, Tax Deducted at Source ("TDS") Returns and other statutory returns, if required and shall have the right to claim refunds, depreciation benefits etc., if any, as to the Income Tax Returns filed by the Demerged Company/Transferor Company in respect of Ananta Casual Wear Business Undertaking so far as is necessitated on account of the Scheme becoming effective from the Appointed Date under the Scheme.

c. Upon the Scheme coming into effect, all taxes payable by the Demerged Company/Transferor Company, and all or any refunds and claims, which can be identified distinctly as being related and attributable to Ananta Casual Wear Business Undertaking, with effect from the Appointed Date shall, for all purposes, be treated as the tax liabilities or refunds and claims (including, without limitation, income tax, minimum tax, dividend distribution tax, VAT, excise duty, customs duty, services tax, etc.), as the case may be, of the Transferee Company 1/ACWL. Accordingly, upon the Scheme becoming effective, the Demerged Company and Transferee Company 1/ACWL are also expressly permitted to revise their respective Financial Statements, Income Tax Returns, TDS Returns, VAT Returns and other tax/statutory returns and to claim refunds, advance tax and withholding tax credits, benefits of credit for Minimum Tax in accordance with Income Tax Act 2023, Value Added Tax and Supplementary Duties Act 2012 and Customs Act, 1969.

d. Without prejudice to the above, it is hereby clarified that nothing in this Clause shall be deemed to have affected the rights of the Demerged Company to carry forward of accumulated depreciation , losses and income tax refunds, etc. accrued or incurred, before or on the Appointed Date, nor shall this Scheme be deemed to be conferring a right upon the Transferee Company 1/ACWL to carry forward such accumulated depreciation and losses of the Demerged Company arising before or on the Appointed Date.

e. On and from the Appointed Date, if any certificate for TDS or any other tax credit certificate specifically and distinctly relating to the Ananta Casual Wear Business Undertaking of the Demerged Company/Transferor Company is received in the name of the Demerged Company/Transferor Company, it shall be deemed to have been received in the name of the Transferee Company 1/ACWL, which alone shall be entitled to claim credit for such tax deducted or paid.

f. With effect from the Appointed Date, all VAT Registrations, Certificates, Declarations, Returns, all indirect taxes and duties including VAT, excise duty, customs duty etc. and any balance therein relating to the Ananta Casual Wear Business Undertaking shall be deemed transferred to the Transferee Company 1/ACWL and shall, in all proceedings, be dealt with accordingly.

g. Without prejudice to the generality of the above, all benefits, entitlements, incentives, credits (including Income Tax; Excise Duty, Customs Duty, VAT, registrations, etc.) to which the Demerged Company/Transferor Company is entitled to specifically and identifiably in relation to Ananta Casual Wear Business Undertaking, in terms of Applicable Laws, shall be available to and vest in the Transferee Company 1/ACWL, upon the Scheme coming into effect

h. Any tax loss not specifically allocable or related to the Ananta Casual Wear Business Undertaking of Demerged Company/Transferor Company, to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date, shall be retained with the Remaining Business of the Demerged Company.

i. All tax assessment proceedings/appeals of whatsoever nature by or against the Demerged Company/Transferor Company so far as it identifiably relates to Ananta Casual Wear Business Undertaking pending on and/or arising at the Appointed Date and relating to the Demerged Company shall be continued and/or enforced until the Effective Date by the Demerged Company. In the event of the Demerged Company/Transferor Company failing to continue or enforce the proceedings/appeal, to the same extent the proceedings may be distinctly identifiable to Ananta Casual Wear Business Undertaking, the same

may be continued or enforced by the Transferee Company 1/ACWL. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Demerged Entity, only to the extent that the proceedings may be separately and distinctly identifiable to relate to Remaining Business, while the proceedings relating to the Ananta Casual Wear Business Undertaking, as far as practicably possible, be enforced and continued by the Transferee Company 1/ACWL.

j. The Transferee Company 1/ACWL will be successor of the Transferor Companies. Any unutilized credit relating to excise duties paid on inputs lying to the account of business and operation of the Ananta Casual Wear Business Undertaking of Transferor Company as well as any unutilized credits relating to Value Added Tax (VAT) paid on input services consumed by the Transferor Company shall be transferred to the Transferee Company 1/ACWL automatically without any specific approval or permission as an integral part of the Scheme;

k. If the Transferor Company is entitled to any benefits under incentive schemes and policies in relation to the business and operation of the Ananta Casual Wear Business Undertaking it is declared that the benefits under all such incentive schemes and policies shall be transferred to and vested in the Transferee Company 1/ACWL;

21. BANK ACCOUNTS

On and from the Effective Date and till such time that the name of the bank accounts of the Demerged Company/Transferor Company, in relation to or in connection with the Ananta Casual Wear Business Undertaking, have been replaced with that of the Transferee Company 1/ACWL, the Transferee Company 1/ACWL shall be entitled to maintain and operate the bank accounts of the Demerged Company/Transferor Company, in the name of the Demerged Company/Transferor Company for such time as may be determined to be necessary by the Transferee Company 1/ACWL. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company/Transferor Company, specifically in relation to or in connection with the Ananta Casual Wear Business Undertaking, after the Effective Date shall be accepted by the bankers of the Transferee Company 1/ACWL and credited to the account of the Transferee Company 1/ACWL, if presented by the Transferee Company 1/ACWL.

22. RIGHTS OF SHAREHOLDERS

The shareholders of Demerged Company/Transferor Company and Transferee Company 1/ACWL shall, save as otherwise, provided under this Scheme, continue to enjoy their existing rights under their respective Articles of Association, including the right to receive dividends, from the respective company of which they are members till the Effective Date. It is clarified that it is an enabling clause and not an obligation on the Demerged Company/Transferor Company and/or Transferee Company 1/ACWL to pay any dividend.

23. SAVING OF CONCLUDED TRANSACTIONS

a. Subject to the terms of this Scheme, the transfer and vesting of the Ananta Casual Wear Business Undertaking under Part II of this Scheme shall not affect any transactions or proceedings already concluded by the Demerged Company and the Transferee Company 1/ACWL on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company 1/ACWL accepts and adopts all acts, deeds and things made, done and executed by the Demerged Company/Transferor Company in relation to Ananta Casual Wear Business Undertaking as acts deeds and things made, done and executed by or on behalf of the Transferee Company 1/ACWL.

b. Without prejudice to the provisions of the foregoing, and upon the effectiveness of this Part II of this Scheme, the Demerged Company/Transferor Company and the Transferee Company 1/ACWL shall be entitled to apply to the Government Authorities or any other appropriate authorities as are necessary under any law for such consents, approvals and sanctions which the Transferee Company 1/ACWL may require and execute any and all instruments or documents and do all the acts and deeds as may be required, including

filing of necessary particulars and/or modification(s) of charge, with the RJSC or filing of necessary applications, notices, intimations or letters with any authority or person to give effect to the Scheme.

24. CONSIDERATION

a. Following the Effective Date of this Scheme and in consideration for the Demerger by way of transfer and vesting of the Ananta Casual Wear Business Undertaking of Demerged Company/ Transferor Company to the Transferee Company 1/ACWL shall, without further application, act, instrument or deed, issue and allot its equity shares to the equity shareholders of Demerged Company/Transferor Company, whose names are recorded in the register of members of the Demerged Company/Transferor Company or to their heirs or to any other person as may be nominated by the Shareholder(s), on a date (hereinafter referred to as the "Record Date") to be fixed by the Board of Directors of the Transferee Company 1/ACWL, up to 30,00,000 ordinary shares of Tk. 10 each, credited as fully diluted paid-up shares of the Transferee Company 1/ACWL amounting total up to Tk. 3,00,00,000 total fully diluted paid up equity capital at the Effective Date according to their shareholding ratio in the Transferor Company/Demerged Company or such adjusted number of ordinary shares as may be agreed upon by the Shareholders of both the parties. Accordingly, the Shareholders (or such of their heirs, executors, administrators or the successor-in-title) of the Demerged Company/Transferor Company, shall be entitled up to 300,000 of ordinary shares of Tk. 10 each, or such adjusted number of ordinary shares of the Transferee Company 1/ACWL as may be agreed upon by the Shareholders of both the parties (the "Consideration Shares for TWCL"). *A description of the post-demerger shareholding of ACWL is enclosed herewith as Schedule 2(A)*.

b. The issue and allotment of shares by the Transferee Company 1/ACWL to the shareholders of the Demerged Company/Transferor Company as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out in accordance with the procedures laid down under the Act, as may be applicable.

PART III
DEMERGER, TRANSFER AND VESTING OF ANANTA DENIM TECH. BUSINESS UNDERTAKING OF DEMERGED COMPANY/TRANSFEROR COMPANY INTO ANANTA DENIM TECHNOLOGY LTD.

25. TRANSFER OF ASSETS

Upon the coming into effect of this Scheme and with effect from the Appointed Date:

i.All assets, rights, title, interests authorities and properties comprised in the Ananta Denim Tech. Business Undertaking of the Transferor Company, of whatsoever nature and wheresoever, whether or not included in the books of the Demerged Company, on or after the Appointed Date shall, under the provisions of Section 228 and 229 of the Act, and all other applicable provisions, if any, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company 1/ACWL on a going concern basis so as to become the assets and properties of the Transferee Company 2/ADTL upon the coming into effect of this Scheme pursuant to the provisions of the Act;

ii.In respect of such assets and properties pertaining to the Ananta Denim Tech. Business Undertaking of Demerged Company/Transferor Company as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Demerged Company and shall, upon such transfer, become the assets and properties of the Transferee Company 2/ADTL as an integral part of the Ananta Denim Tech. Business Undertaking, without requiring any separate deed or instrument or conveyance for the same in pursuance of the provisions of Section 229(2) and other applicable provisions of the Act;

iii.In respect of movables other than those dealt with in Section 25(ii) above, assets and liabilities including sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government Authority, quasi government, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company 2/ACWL without any notice or other intimation to the debtors (although the Transferee Company 2/ADTL may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositee, as the case may be, that the said debt, advance, balance or deposit stands transferred and vested in the Transferee Company 2/ADTL);

iv.For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all quality certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other intellectual property and all other interests relating to the goods or services being dealt with by the Ananta Denim Tech. Business Undertaking, be transferred to and vested in the Transferee Company 2/ADTL. Insofar as the various incentives, subsidies (including applications for subsidies), rehabilitation schemes, grants, special status and other benefits or privileges enjoyed, granted by any Government Authority, local authority or by any other person, or availed of by the Demerged Company/Transferor Company are concerned, the same shall, without any further act or deed, in so far as they relate to the Ananta Denim Tech. Business Undertaking, vest with and be available to the Transferee Company 2/ADTL on the same terms and conditions.

v.All consents, permissions, licenses, permits, quotas, approvals, certificates, clearances, authorities, leases, tenancy, assignments, allotments, registrations, incentives, subsidies, concessions, grants, rights, IPRs, claims, liberties, special status, other benefits or privileges and any power of attorney given by, issued to or executed in favour of, enjoyed or conferred upon or held or availed by the Ananta Denim Tech. Business Undertaking of Demerged Company/Transferor Company and all rights and benefits, which have accrued to or may be accrued in before or after the Effective Date, shall, under the provisions of this Scheme, Section 228 to 229 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed

to be transferred to and vested in and be available to the Transferee Company 2/ADTL so as to become from the Appointed Date, consents, permissions. Licenses, permits, quotas, approvals, certificates, clearances, authorities, leases, tenancy, assignments, allotments, registrations, incentives, subsidies, concessions, grants, rights, IPRs, claims, liberties, special status, other benefits or privileges of the Transferee Company 1/ACWL shall remain valid, effective and enforceable on the same terms and conditions.

In addition to the general consents, permissions, licenses, and approvals mentioned herein, the following specific consents, licenses, and permissions shall also be transferred to/restored/continued and vested in ADTL as per Schedule 1(B).

vi. All immoveable property, whether or not included in the books of the Demerged Company/Transferor Company, whether freehold or leasehold (including but not limited to land, buildings, sites, tenancy rights related thereto, and immovable properties and any other document of title, rights, interest and easements in relation thereto) of the Ananta Denim Tech. Business Undertaking shall stand transferred to and be vested in the Transferee Company 2/ADTL, without any act or deed to be done or executed by the Demerged Company/Transferor Company and/or Transferee Company 2/ADTL.

vii.Insofar as the assets comprised in the Ananta Denim Tech. Business Undertaking of Demerged Company/Transferor Company are concerned, the security or charge over such assets relating to any loans, debentures or borrowing or guarantee of the Demerged Company/Transferor Company, which are in connection with the Ananta Denim Tech. Business Undertaking, shall without any further act or deed be transferred along with Ananta Denim Tech. Business Undertaking to the Transferee Company 2/ADTL.

viii.Where the Demerged Company/Transferor Company is entitled to various benefits under incentive schemes and policies in relation to the Ananta Denim Tech. Business Undertaking and pursuant to this Scheme, it is declared that the benefits under all such schemes and policies shall be transferred to and vest in the Transferee Company 2/ADTL and all benefits, entitlements and incentives of any nature whatsoever shall be claimed by the Transferee Company 2/ADTL and these shall relate back to the Appointed Date as if the Transferee Company 2/ADTL was originally entitled to all benefits under such incentive scheme and/or policies, subject to continued compliance by the Transferee Company 2/ADTL of all the terms and conditions subject to which the benefits under the incentive schemes were made available to the Demerged Company/Transferor Company.

26. TRANSFER OF LIABILITIES

Upon the coming into effect of this Scheme and with effect from the Appointed Date:

a. All the loans raised and utilized, and all liabilities, duties and obligations incurred or undertaken by the Demerged Company/Transferor Company in relation to the activities or operations of the Ananta Denim Tech. Business Undertaking or as acquired on or after the Appointed Date shall, to the extent they are outstanding on the Effective Date, under the provisions of this Scheme, Sections 228 and 229 of the Act, and all other applicable provisions, if any, shall, without any further act or deed, be and stand transferred and vested to or deemed to have been transferred and vested to the Transferee Company 2/ADTL and shall become the loans, liabilities, duties and obligations of the Transferee Company 2/ADTL, on the same terms and conditions, which shall undertake to meet, discharge and satisfy the same and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the consent or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme. In addition, all specific charges (fixed and floating) created on any specific unit shall continue to remain with the respective lenders and other lenders shall not have any right over the specific charges created.

b. Without prejudice to the provisions of 26(a) above, all general and multipurpose liabilities and borrowings including fund-based and non-fund based limits sanctioned by the lenders to the Demerged Company/Transferor Company will be allocated and

transferred to the Transferee Company 2/ADTL based on mutual agreement between the board of directors of the Demerged Company/Transferor Company and the Transferee Company 2/ADTL.

c. All specific loans and borrowings, raised and used, and all liabilities and obligation incurred and utilized by the Demerged Company/Transferor Company solely for the operations and activities of Ananta Denim Tech. Business Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company 2/ADTL and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed be and stand transferred to the Transferee Company 2/ADT Land shall become liabilities and obligations of the Transferee Company 2/ADTL which shall undertake to meet and discharge and satisfy the same.

d. Where any of the debts, liabilities and obligations of the Demerged Company/Transferor Company relating to the Ananta Denim Tech. Business Undertaking as on the Appointed Date is deemed to be transferred to the Transferee Company 2/ADTL, have been discharged by the Demerged Company/Transferor Company after the Appointed Date but before the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company 2/ADTL and the Transferee Company 2/ADTL shall promptly upon demand by the Demerged Company make good and pay the same to the Demerged Company/Transferor Company.

e. The Transferor Company may, if required, give notice in such form as it may deem fit and proper to each party, debtor or borrower as the case may be, that pursuant to the High Court Division sanctioning the Scheme, the said debt, loan, advance, etc. be paid or made good or held on account of the Transferee Company 2/ADTL as the person entitled thereto;

f. The Transferee Company 2/ADTL may, if required, give notice in such form as it may deem fit and proper to each person, debtor or borrower that pursuant to the High Court Division having sanctioned the Scheme, the said person, debtor or borrower shall pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company 2/ADTL to recover or realise the same is in submission of the right of the Transferor Company;

27. ENCUMBRANCES

a. The transfer and vesting of the assets comprised in the Ananta Denim Tech. Business Undertaking of the Demerged Company/Transferor Company to and in the Transferee Company 2/ADTL under this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided:

i. All the existing securities, mortgages, charges, encumbrances or liens ("Encumbrances"), if any, as on the Appointed Date and created by the Demerged Company/Transferor Company after the Appointed Date over the assets comprised in the Ananta Denim Tech. Business Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Demerged Company/Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred and vested in the Transferee Company 2/ADTL, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company provided however that no Encumbrances shall have been created by the Demerged Company/Transferor Company over its assets after the date of filing of the Scheme without the prior written consent of the Board of Directors of the Transferee Company 2/ADTL.

ii. Unless provided for otherwise in this Scheme, upon the coming into effect of this Scheme, the Transferee Company 2 /ADTL alone shall be liable to perform all

obligations in respect of the Liabilities, which have been transferred to it in terms of the Scheme.

b. Without prejudice to the provisions of the foregoing Sections and upon the effectiveness of this Scheme, the Transferor Company and the Transferee Company 2 /ADTL shall execute any instruments or documents or do all the acts and deeds as may be required including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Joint Stock Companies and Firms and other regulatory bodies, if required by law, having Jurisdiction to give formal effect to the above provisions, if required;

c. It is expressly provided that no other term or condition of the liabilities transferred to the Transferee Company 2 /ADTL is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication. Furthermore, the ranking among the lenders of the Transferor Company shall remain unaltered upon effectiveness of this Scheme and the lenders shall execute Pari Passu Security Sharing Agreement.

28. CONTRACTS, DEEDS AND OTHER INSTRUMENTS, ETC

a. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments, of whatsoever nature, to which the Demerged Company/Transferor Company is a party or to the benefit of which the Demerged Company/Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, so far as it relates to Ananta Denim Tech. Business Undertaking, shall continue in full force and effect by, for or against or in favour of as the case may be, the Transferee Company 2 /ADTL and may be enforced as fully and effectually as if instead of the Demerged Company/Transferor Company, the Transferee Company 2 /ADTL had been a party or beneficiary or obligee or obligor thereto or thereunder, subject to such changes and variations in the terms, conditions and provisions thereof as may be mutually agreed to between Transferee Company 2/ADTL and other parties thereto. Transferee Company 2 /ADTL shall enter and/or issue and/or execute deeds, writings or confirmations or enter into any arrangement, confirmations or novation in order to give formal effect to the provisions of this Clause 28(a), if so required or if it becomes necessary by law or by any other arrangement.

b. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Ananta Denim Tech. Business Undertaking of Demerged Company/Transferor Company occurs by virtue of this Scheme itself, the Transferee Company 2 /ADTL may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite agreements or arrangements with any party to any contract or arrangement to which the Transferor Company is a party of any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company 2/ADTL shall, under the provisions of the Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

c. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company/Transferor Company to the extent related to Ananta Denim Tech. Business Undertaking shall, without any further act or deed, stand transferred to the Transferee Company 2/ADTL, as if the same were originally given by, issued to or executed in favour of the Transferee Company 2 /ADTL, and the Transferee Company 2/ADTL shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company 2/ADTL. The Transferee Company 2/ADTL

shall receive relevant approvals from the appropriate authorities as may be necessary in this behalf.

d. The Transferee Company 2/ADTL shall be entitled to the benefit of all insurance policies, if any, issued in respect of the Transferor Company only in relation to its Ananta Denim Tech. Business Undertaking and the name of the Transferee Company 2/ADTL, shall be substituted as "Insured" in the policy as if the Transferee Company 2/ADTL was initially a party.

29. STANDSTILL PROVISIONS TILL EFFECTIVE DATE

For the period from the Appointed Date and up to the Effective Date:

a. With effect from the Appointed Date and up to and including the Effective Date, all general and indivisible profits or incomes accruing or arising to the Demerged Company/Transferor Company and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profit and income) by the Demerged Company/Transferor Company, shall, unless the same are distinctly identifiable as relating and attributable to the Ananta Denim Tech. Business Undertaking, for all purposes, be treated and be deemed to be and accrued as the profits or incomes or as the case may be, expenditure or losses (including taxes) of the Demerged Company.

b. Any of the rights, powers, authorities and privileges attached or related or pertaining to Ananta Denim Tech. Business Undertaking and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and behalf of and as its trustee and agent for the Transferee Company 2/ADTL. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Ananta Denim Tech. Business Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company 2/ADTL;

c. With effect from the Appointed Date and up to and including the Effective Date, the Transferor Companies shall carry on and shall be deemed to have carried on all its business and activities relating to Ananta Denim Tech. Business Undertaking as hitherto and shall hold and stand possessed shall be deemed to have held and stood possessed of all its assets and properties in relation to its Ananta Denim Tech. Business Undertaking, on account of, and for the benefit of and in trust for, the Transferee Company 2/ADTL. The Demerged Company shall hold the said assets with utmost prudence until the Effective Date.

d. The Demerged Company/Transferor Companies shall preserve and carry on Ananta Denim Tech. Business Undertaking with reasonable diligence and business prudence and shall not, alter or diversify their respective businesses nor venture into any new businesses, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except the ordinary course of business without the prior consent of the Transferee Company 2/ADTL or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of each of the Transferor Company and the Transferee Company 2/ADTL.

30. ACCOUNTING TREATMENTS OF ASSETS, LIABILITIES AND RESERVES AND SURPLUS OF THE TRANSFEROR COMPANY IN THE BOOKS OF THE TRANSFEREE COMPANY 2/ADTL:

30.1 Accounting Treatment in the Books of the Transferee Company 2/ADTL

a. Upon coming into effect of this Scheme and with effect from the Appointed Date, for the purposes of accounting for and dealing with the value of the assets and liabilities of the Ananta Denim Tech. Business Undertaking of the Demerged Company/Transferor Company in the Books of the Transferee Company 2 /ADTL, the assets and liabilities of the Transferor Company on the basis in their respective audited financial statement for the year ending 30th June 2024 and provisional financial statements as of the Appointed Date shall be accounted subject to any changes.

b. Transferee Company 2/ADTL shall credit the aggregate face value/ nominal value of new shares issued by it to the shareholders of Demerged Company/Transferor Company to the Share Capital Account in its books of accounts.

c. The Transferee Company 2/ADTL shall, from Appointed Date to the Effective Date, record in its books of account, all transactions of the Ananta Denim Tech. Business Undertaking of the Demerged Company in respect of assets, liabilities, income and expenses, to the extent such transactions are capable of being distinctly identified as relatable and attributable to the Ananta Denim Tech. Business Undertaking.

d. Any excess of the net assets of the Transferor Company over the paid-up value of the shares, pursuant to this Scheme shall be transferred and credited to the "Capital Reserve" in the books of the Transferee Company.

30.2 Accounting Treatment in the books of the Demerged Company/Transferor Company

a. The Demerged Company/Transferor Company shall reduce from its books, the book value of assets and liabilities along with relatable provisions, if any, demerged as part of the Ananta Denim Tech. Business Undertaking to Transferee Company 2 /ADTL, pursuant to the Scheme.

b. The difference arising pursuant to the net assets (assets less liabilities) of the Ananta Denim Tech. Business Undertaking of the Demerged Company/Transferor Company transferred to the Transferee Company 2/ADTL shall be adjusted with the Capital Reserve/Securities Premium/Retained earnings or any other reserves of the Demerged Company as on Appointed Date in accordance with applicable accounting standard.

31. DIVIDEND

From the date of filing the Scheme to the Effective Date:

a. except as expressly contemplated or permitted by any decision of the Board of Directors of the Transferee Company 2/ADTL, the Transferor Company shall not declare/or pay dividends or other distribution payable in cash, stock, property or otherwise with respect to any of its capital stock;

b. The Transferor Company, except as mentioned otherwise in this Scheme, shall not issue or allot any shares, right shares, or bonus shares or any other security converting into equity or other share capital or obtain any other financial assistance converting into equity or other share capital, unless agreed to by the Board of Directors of the Transferee Company 2 /ADTL;

c. The Transferee Company 2/ADTL shall be entitled to declare and pay dividends, whether interim or final, to their ordinary shareholders in respect of the accounting period after the Appointed Date and prior to the Effective Date;

d. Until the coming into effect of the Scheme, the holders of equity shares of the Transferor Companies and the Transferee Company 2/ADTL shall, save as expressly provided otherwise in this Scheme continue to enjoy their existing respective rights under their respective Articles of Association. It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and/or the Transferee Company 2/ADTL to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and the Transferee Company 2/ADTL and subject to, wherever necessary, the approval of the shareholders of the Transferor Company and the Transferee Company 2 /ADTL, respectively.

32. LEGAL PROCEEDINGS

a. Upon coming into effect of the Scheme, on and from the Appointed Date, all suits, actions, claims and legal proceedings, if any, by or against the Demerged Company/Transferor Company in respect of Ananta Denim Tech. Business Undertaking pending and/or arising on or before the Effective Date shall be continued and/or enforced by or against the Transferee Company 2/ADTL as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or pending and/or arising by or against the Transferee Company 1/ACWL. Following the Effective Date, the Transferee Company 2/ADTL undertakes to have all legal or other proceedings initiated by or against the Demerged Company, to the extent they relate to Ananta Denim Tech. Business Undertaking, and doing so is practically feasible, transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company 2/ADTL to the exclusion of the Demerged Company.

b. All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitration, execution proceedings, revisions, writ petitions, if any) by or against Demerged Company/Transferor Company in respect of Ananta Denim Tech. Business Undertaking shall not abate, be discontinued or be in any way prejudicially affected by reasons of this Scheme or the transfer of the Ananta Denim Tech. Business Undertaking or of anything contained in this Scheme, but the said proceedings shall till the Effective Date be continued, prosecuted and enforced by or against Demerged Company as if this Scheme had not been made and thereafter be continued, prosecuted and enforced by or against Transferee Company 2/ADTL in the same manner and to the same extent as they would or might have been continued, prosecuted, enforced by or against Demerged Company if this Scheme had not been made.

c. The Transferee Company 2/ADTL will undertake to have all legal or other proceedings initiated by or against the Transferor Company referred to in clause 32(a) above transferred to its name and to have the name continued, prosecuted and enforced by or against the Transferee Company 2/ADTL to the exclusion of the Demerged Company/Transferor Company. Both companies shall make relevant applications in that behalf.

d. Notwithstanding the above, in case the proceedings referred to in 32(a) above cannot be transferred for any reason, the Demerged Company/Transferor Company shall defend the same in accordance with the advice of the Transferee Company 2/ADTL and at the cost of the Transferee Company 2 /ADTL, and the Transferee Company 2/ADTL shall reimburse, indemnify and hold harmless the Demerged Company/Transferor Company against all liabilities and obligations incurred by the Demerged Company/Transferor Company in respect thereof.

e. If proceedings are taken against the Demerged Company in respect of the Ananta Denim Tech. Business Undertaking on or after the Appointed Date, the Demerged Company shall defend the same in accordance with the advice of the Transferee Company 2/ADTL and at the cost of the Transferee Company 2 /ADTL. The latter shall reimburse and fully indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

33. EMPLOYEES

a. Upon coming into effect of this Scheme, the permanent employees of the Demerged Company/Transferor Company to the Ananta Denim Tech. Business Undertaking who are in employment with the Demerged Company as on the Effective Date shall become the permanent employees of the Transferee Company 2/ADTL ("Transferred Employees") with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favorable than those on which they are engaged or employed by the Demerged Company/Transferor Company. The Transferee Company 2/ADTL undertakes to continue to abide by any agreement/settlement, if any, entered into by the Demerged Company/Transferor Company relating to the Ananta Denim Tech. Business

Undertaking with any union/employee of the Demerged Company/Transferor Company. The Transferee Company 2/ADTL agrees that for the purpose of any payment of any compensation, gratuity and other termination benefits, the past services of the Transferred Employees with the Demerged Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.

b. Insofar as the existing provident fund trusts, gratuity funds, pension and/or superannuation fund or any other fund trusts created by the Demerged Company/Transferor Company for its employee (including the Transferred Employees) are concerned, the part of the funds referable to the Transferred Employees shall be continued for the benefit of the Transferred Employees pursuant to this Scheme in the manner provided hereinafter. The Transferee Company 2/ADTL shall have the obligation to take all necessary steps to set up its own funds as soon as practicable. In the event that the Transferee Company 2/ADTL has set up its own funds, the amounts in such funds in respect of contributions of the Demerged Company pertaining to the Transferred Employees of the Ananta Denim Tech. Business Undertaking shall, subject to the necessary approvals and permissions, if any, be transferred to the relevant funds of the Transferee Company 2/ADTL. Until such time that the Transferee Company 2/ADTL creates its own fund, the Transferee Company 2/ADTL may, subject to necessary approvals and permissions, if any, continue to contribute in respect of the Transferred Employees, to the relevant funds of the Demerged Company. At the time that the Transferee Company 2/ADTL creates its own funds, the contributions pertaining to the Transferred Employees shall be transferred to the funds created by the Transferee Company 2 /ADTL. Without prejudice to the generality of the foregoing, any such funds and the investments made out of such funds shall upon the coming into effect of this Scheme, be transferred to the Transferee Company 2/ADTL to be held for the benefit of the concerned employees.

c. With effect from the first of the dates of filing of this Scheme with the Court and up to and including the Effective Date the Demerged Company/Transferor Company shall not vary the terms and conditions of employment of any of Transferred Employees relating to Ananta Denim Tech. Business Undertaking, except with the prior written consent of the Transferee Company 2 /ADTL.

34. TAXES/DUTIES ETC

a. All taxes (including, without limitation, income tax, advance tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, paid or payable by the Demerged Company/Transferor Company in respect of the operations and/or the profits of the Ananta Denim Tech. Business Undertaking before the Appointed Date, shall be on account of the Demerged Company/Transferor Company and, insofar as it relates to the tax payment (including, without limitation, income tax, minimum tax, dividend distribution tax, sales tax, VAT, excise duty, customs duty, services tax, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Demerged Company/Transferor Company in respect of the profits or activities or operations of the Ananta Denim Tech. Business Undertaking of the Demerged Company/Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company 2/ADTL, and, shall, in all proceedings, be dealt with accordingly.

b. On the Scheme becoming effective, the Transferee Company 2/ADTL shall be entitled to file/revise its Income Tax Returns, Tax Deducted at Source ("TDS") Returns and other statutory returns, if required and shall have the right to claim refunds, depreciation benefits etc., if any, as to the Income Tax Returns filed by the Demerged Company/Transferor Company in respect of Ananta Denim Tech. Business Undertaking so far as is necessitated on account of the Scheme becoming effective from the Appointed Date under the Scheme.

c. Upon the Scheme coming into effect, all taxes payable by the Demerged Company/Transferor Company, and all or any refunds and claims, which can be identified distinctly as being related and attributable to Ananta Denim Tech. Business Undertaking, with effect from the Appointed Date shall, for all purposes, be treated as

the tax liabilities or refunds and claims (including, without limitation, income tax, minimum tax, dividend distribution tax, VAT, excise duty, customs duty, services tax, etc.), as the case may be, of the Transferee Company 2 /ADTL. Accordingly, upon the Scheme becoming effective, the Demerged Company and Transferee Company 2/ADTL are also expressly permitted to revise their respective Financial Statements, Income Tax Returns, TDS Returns, VAT Returns and other tax/statutory returns and to claim refunds, advance tax and withholding tax credits, benefits of credit for Minimum Tax in accordance with Income Tax Act 2023, Value Added Tax and Supplementary Duties Act 2012 and Customs Act, 1969.

d. Without prejudice to the above, it is hereby clarified that nothing in this Clause shall be deemed to have affected the rights of the Demerged Company to carry forward of accumulated depreciation , losses and income tax refunds, etc. accrued or incurred, before or on the Appointed Date, nor shall this Scheme be deemed to be conferring a right upon the Transferee Company 2/ADTL to carry forward such accumulated depreciation and losses of the Demerged Company arising before or on the Appointed Date.

e. On and from the Appointed Date, if any certificate for TDS or any other tax credit certificate specifically and distinctly relating to the Ananta Denim Tech. Business Undertaking of the Demerged Company/Transferor Company is received in the name of the Demerged Company/Transferor Company, it shall be deemed to have been received in the name of the Transferee Company 2 /ADTL, which alone shall be entitled to claim credit for such tax deducted or paid.

f. With effect from the Appointed Date, all VAT Registrations, Certificates, Declarations, Returns, all indirect taxes and duties including VAT, excise duty, customs duty etc. and any balance therein relating to the Ananta Denim Tech. Business Undertaking shall be deemed transferred to the Transferee Company 2/ADTL and shall, in all proceedings, be dealt with accordingly.

g. Without prejudice to the generality of the above, all benefits, entitlements, incentives, credits (including Income Tax; Excise Duty, Customs Duty, VAT, registrations, etc.) to which the Demerged Company/Transferor Company is entitled to specifically and identifiably in relation to Ananta Denim Tech. Business Undertaking, in terms of Applicable Laws, shall be available to and vest in the Transferee Company 2 /ADTL, upon the Scheme coming into effect

h. Any tax loss not specifically allocable or related to the Ananta Denim Tech. Business Undertaking of Demerged Company/Transferor Company, to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date, shall be retained with the Remaining Business of the Demerged Company.

i. All tax assessment proceedings/appeals of whatsoever nature by or against the Demerged Company/Transferor Company so far as it identifiably relates to Ananta Denim Tech. Business Undertaking pending on and/or arising at the Appointed Date and relating to the Demerged Company shall be continued and/or enforced until the Effective Date by the Demerged Company. In the event of the Demerged Company/Transferor Company failing to continue or enforce the proceedings/appeal, to the same extent the proceedings may be distinctly identifiable to Ananta Denim Tech. Business Undertaking, the same may be continued or enforced by the Transferee Company 2 /ADTL. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Demerged Entity, only to the extent that the proceedings may be separately and distinctly identifiable to relate to Remaining Business, while the proceedings relating to the Ananta Denim Tech. Business Undertaking, as far as practicably possible, be enforced and continued by the Transferee Company 2 /ADTL.

j. The Transferee Company 2/ADTL will be successor of the Transferor Companies. Any unutilized credit relating to excise duties paid on inputs lying to the account of business and operation of the Ananta Denim Tech. Business Undertaking of

Transferor Company as well as any unutilized credits relating to Value Added Tax (VAT) paid on input services consumed by the Transferor Company shall be transferred to the Transferee Company 2/ADTL automatically without any specific approval or permission as an integral part of the Scheme;

k. If the Transferor Company is entitled to any benefits under incentive schemes and policies in relation to the business and operation of the Ananta Denim Tech. Business Undertaking, it is declared that the benefits under all such incentive schemes and policies shall be transferred to and vested in the Transferee Company 2 /ADTL;

35. BANK ACCOUNTS

On and from the Effective Date and till such time that the name of the bank accounts of the Demerged Company/Transferor Company, in relation to or in connection with the Ananta Denim Tech. Business Undertaking, have been replaced with that of the Transferee Company 2 /ADTL, the Transferee Company 2/ADTL shall be entitled to maintain and operate the bank accounts of the Demerged Company/Transferor Company, in the name of the Demerged Company/Transferor Company for such time as may be determined to be necessary by the Transferee Company 2 /ADTL. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company/Transferor Company, specifically in relation to or in connection with the Ananta Denim Tech. Business Undertaking, after the Effective Date shall be accepted by the bankers of the Transferee Company 2/ADTL and credited to the account of the Transferee Company 2 /ADTL, if presented by the Transferee Company 2 /ADTL.

36. RIGHTS OF SHAREHOLDERS

The shareholders of Demerged Company/Transferor Company and Transferee Company 2/ADTL shall, save as otherwise, provided under this Scheme, continue to enjoy their existing rights under their respective Articles of Association, including the right to receive dividends, from the respective company of which they are members till the Effective Date. It is clarified that it is an enabling clause and not an obligation on the Demerged Company/Transferor Company and/or Transferee Company 2/ADTL to pay any dividend.

37. SAVING OF CONCLUDED TRANSACTIONS

a. Subject to the terms of this Scheme, the transfer and vesting of the Ananta Denim Tech. Business Undertaking under Part III of this Scheme shall not affect any transactions or proceedings already concluded by the Demerged Company and the Transferee Company 2/ADTL on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company 2/ADTL accepts and adopts all acts, deeds and things made, done and executed by the Demerged Company/Transferor Company in relation to Ananta Denim Tech. Business Undertaking as acts deeds and things made, done and executed by or on behalf of the Transferee Company 2/ADTL.

b. Without prejudice to the provisions of the foregoing, and upon the effectiveness of this Part II of this Scheme, the Demerged Company/Transferor Company and the Transferee Company 2/ADTL shall be entitled to apply to the Government Authorities or any other appropriate authorities as are necessary under any law for such consents, approvals and sanctions which the Transferee Company 2/ADTL may require and execute any and all instruments or documents and do all the acts and deeds as may be required, including filing of necessary particulars and/or modification(s) of charge, with the RJSC or filing of necessary applications, notices, intimations or letters with any authority or person to give effect to the Scheme.

38. CONSIDERATION

a. Following the Effective Date of this Scheme and in consideration for the Demerger by way of transfer and vesting of the Ananta Denim Tech. Business Undertaking of

Demerged Company/Transferor Company to the Transferee Company 2/ADTL shall, without further application, act, instrument or deed, issue and allot its equity shares to the equity shareholders of Demerged Company/Transferor Company, whose names are recorded in the register of members of the Demerged Company/Transferor Company or to their heirs or to any other person as may be nominated by the Shareholder(s), on a date (hereinafter referred to as the "Record Date") to be fixed by the Board of Directors of the Transferee Company 2/ADTL, up to 30,00,000 ordinary shares of Tk. 10 each, credited as fully diluted paid-up shares of the Transferee Company 2/ADTL amounting total up to Tk. 3,00,00,000 total fully diluted paid up equity capital at the Effective Date according to their shareholding ratio in the Transferor Company/Demerged Company or such adjusted number of ordinary shares as may be agreed upon by the Shareholders of both the parties. Accordingly, subject to the provisions of Clause 75 (Modification of the Scheme) hereof, the Shareholders (or such of their heirs, executors, administrators or the successor-in-title) of the Demerged Company/Transferor Company, shall be entitled up to 30,00,000 of ordinary shares of Tk. 10 each, or such adjusted number of ordinary shares of the Transferee Company 2/ADTL as may be agreed upon by the Shareholders of both the parties (the "Consideration Shares for ADTL"). *A description of the post-demerger shareholding of Transferee Company 2/ADTL is enclosed herewith as Schedule 2(B)*.

b. The issue and allotment of shares by the Transferee Company 2/ADTL to the shareholders of the Demerged Company/Transferor Company as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out in accordance with the procedures laid down under the Act, as may be applicable.

PART IV
DEMERGER, TRANSFER AND VESTING OF ANANTA FASHION BUSINESS UNDERTAKING OF DEMERGED COMPANY/TRANSFEROR COMPANY INTO ANANTA FASHIONS LTD.

39. TRANSFER OF ASSETS

Upon the coming into effect of this Scheme and with effect from the Appointed Date:

a. All assets, rights, title, interests authorities and properties comprised in the Ananta Fashion Business Undertaking of the Transferor Company, of whatsoever nature and wheresoever, whether or not included in the books of the Demerged Company, on or after the Appointed Date shall, under the provisions of Section 228 and 229 of the Act, and all other applicable provisions, if any, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company 3/AFL on a going concern basis so as to become the assets and properties of the Transferee Company 3/AFL upon the coming into effect of this Scheme pursuant to the provisions of the Act;

ii. In respect of such assets and properties pertaining to the Ananta Fashion Business Undertaking of Demerged Company/Transferor Company as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Demerged Company and shall, upon such transfer, become the assets and properties of the Transferee Company 3/AFL as an integral part of the Ananta Fashion Business Undertaking, without requiring any separate deed or instrument or conveyance for the same in pursuance of the provisions of Section 229(2) and other applicable provisions of the Act;

iii. In respect of movables other than those dealt with in Section 39(ii) above, assets and liabilities including sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government Authority, quasi government, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company 3/AFL without any notice or other intimation to the debtors (although the Transferee Company 3/AFL may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositee, as the case may be, that the said debt, advance, balance or deposit stands transferred and vested in the Transferee Company 3/AFL);

iv. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all quality certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other intellectual property and all other interests relating to the goods or services being dealt with by the Ananta Fashion Business Undertaking, be transferred to and vested in the Transferee Company 3/AFL. Insofar as the various incentives, subsidies (including applications for subsidies), rehabilitation schemes, grants, special status and other benefits or privileges enjoyed, granted by any Government Authority, local authority or by any other person, or availed of by the Demerged Company/Transferor Company are concerned, the same shall, without any further act or deed, in so far as they relate to the Ananta Fashion Business Undertaking, vest with and be available to the Transferee Company 3/AFL on the same terms and conditions.

v. All consents, permissions, licenses, permits, quotas, approvals, certificates, clearances, authorities, leases, tenancy, assignments, allotments, registrations, incentives, subsidies, concessions, grants, rights, IPRs, claims, liberties, special status, other benefits or privileges and any power of attorney given by, issued to or executed in favour of, enjoyed or conferred upon or held or availed by the Ananta Fashion Business Undertaking of Demerged Company/Transferor Company and all rights and benefits, which have accrued to or may be accrued in before the Effective Date, shall, under the provisions of this Scheme, Section 228 to 229 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and

vest in or be deemed to be transferred to and vested in and be available to the Transferee Company 3/AFL so as to become from the Appointed Date, consents, permissions. Licenses, permits, quotas, approvals, certificates, clearances, authorities, leases, tenancy, assignments, allotments, registrations, incentives, subsidies, concessions, grants, rights, IPRs, claims, liberties, special status, other benefits or privileges of the Transferee Company 3/AFL shall remain valid, effective and enforceable on the same terms and conditions.

In addition to the general consents, permissions, licenses, and approvals mentioned herein, the following specific consents, licenses, and permissions shall also be transferred to/restored/continued and vested in AFL as per Schedule 1(C).

vi. All immoveable property, whether or not included in the books of the Demerged Company/Transferor Company, whether freehold or leasehold (including but not limited to land, buildings, sites, tenancy rights related thereto, and immovable properties and any other document of title, rights, interest and easements in relation thereto) of the Ananta Fashion Business Undertaking shall stand transferred to and be vested in the Transferee Company 3/AFL, without any act or deed to be done or executed by the Demerged Company/Transferor Company and/or Transferee Company 3/AFL.

vii. Insofar as the assets comprised in the Ananta Fashion Business Undertaking of Demerged Company/Transferor Company are concerned, the security or charge over such assets relating to any loans, debentures or borrowing or guarantee of the Demerged Company/Transferor Company, which are in connection with the Ananta Fashion Business Undertaking, shall without any further act or deed be transferred along with Ananta Fashion Business Undertaking to the Transferee Company 3/AFL.

viii. Where the Demerged Company/Transferor Company is entitled to various benefits under incentive schemes and policies in relation to the Ananta Fashion Business Undertaking and pursuant to this Scheme, it is declared that the benefits under all such schemes and policies shall be transferred to and vest in the Transferee Company 3/AFL and all benefits, entitlements and incentives of any nature whatsoever shall be claimed by the Transferee Company 3/AFL and these shall relate back to the Appointed Date as if the Transferee Company 3/AFL was originally entitled to all benefits under such incentive scheme and/or policies, subject to continued compliance by the Transferee Company 3/AFL of all the terms and conditions subject to which the benefits under the incentive schemes were made available to the Demerged Company/Transferor Company.

40. TRANSFER OF LIABILITIES

Upon the coming into effect of this Scheme and with effect from the Appointed Date:

i. All the loans raised and utilized, and all liabilities, duties and obligations incurred or undertaken by the Demerged Company/Transferor Company in relation to the activities or operations of the Ananta Fashion Business Undertaking or as acquired on or after the Appointed Date shall, to the extent they are outstanding on the Effective Date, under the provisions of this Scheme, Sections 228 and 229 of the Act, and all other applicable provisions, if any, shall, without any further act or deed, be and stand transferred and vested to or deemed to have been transferred and vested to the Transferee Company 3/AFL and shall become the loans, liabilities, duties and obligations of the Transferee Company 3/AFL, on the same terms and conditions, which shall undertake to meet, discharge and satisfy the same and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the consent or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme. In addition, all specific charges (fixed and floating) created on any specific unit shall continue to remain with the respective lenders and other lenders shall not have any right over the specific charges created.

ii. Without prejudice to the provisions of 40(i) above, all general and multipurpose liabilities and borrowings including fund-based and non-fund based limits sanctioned by the lenders to the Demerged Company/Transferor Company will be allocated and transferred to the Transferee Company 3/AFL based on mutual agreement between the board of directors of the Demerged Company/Transferor Company and the Transferee Company 3/AFL.

iii. All specific loans and borrowings, raised and used, and all liabilities and obligation incurred and utilized by the Demerged Company/Transferor Company solely for the operations and activities of Ananta Fashion Business Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company 3/AFL and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed be and stand transferred to the Transferee Company 3/AFL and shall become liabilities and obligations of the Transferee Company 3/AFL which shall undertake to meet and discharge and satisfy the same.

iv. Where any of the debts, liabilities and obligations of the Demerged Company/Transferor Company relating to the Ananta Fashion Business Undertaking as on the Appointed Date is deemed to be transferred to the Transferee Company 3/AFL, have been discharged by the Demerged Company/Transferor Company after the Appointed Date but before the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company 3/AFL and the Transferee Company 3/AFL shall promptly upon demand by the Demerged Company make good and pay the same to the Demerged Company/Transferor Company.

v. The Transferor Company may, if required, give notice in such form as it may deem fit and proper to each party, debtor or borrower as the case may be, that pursuant to the High Court Division sanctioning the Scheme, the said debt, loan, advance, etc. be paid or made good or held on account of the Transferee Company 3/AFL as the person entitled thereto;

vi. The Transferee Company 3/AFL may, if required, give notice in such form as it may deem fit and proper to each person, debtor or borrower that pursuant to the High Court Division having sanctioned the Scheme, the said person, debtor or borrower shall pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company 3/AFL to recover or realise the same is in submission of the right of the Transferor Company;

41. ENCUMBRANCES

a. The transfer and vesting of the assets comprised in the Ananta Fashion Business Undertaking of the Demerged Company/Transferor Company to and in the Transferee Company 3/AFL under this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided:

i. All the existing securities, mortgages, charges, encumbrances or liens ("Encumbrances"), if any, as on the Appointed Date and created by the Demerged Company/Transferor Company after the Appointed Date over the assets comprised in the Ananta Fashion Business Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Demerged Company/Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred and vested in the Transferee Company 3/AFL, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company provided however that no Encumbrances shall have been created by the Demerged Company/Transferor Company over its assets after the date of filing of the Scheme without the prior written consent of the Board of Directors of the Transferee Company 3/AFL.

ii. Unless provided for otherwise in this Scheme, upon the coming into effect of this Scheme, the Transferee Company 3/AFL alone shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of the Scheme.

b. Without prejudice to the provisions of the foregoing Sections and upon the effectiveness of this Scheme, the Transferor Company and the Transferee Company 3/AFL shall execute any instruments or documents or do all the acts and deeds as may be required including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Joint Stock

Companies and Firms and other regulatory bodies, if required by law, having Jurisdiction to give formal effect to the above provisions, if required;

c. It is expressly provided that no other term or condition of the liabilities transferred to the Transferee Company 3/AFL is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication. Furthermore, the ranking among the lenders of the Transferor Company shall remain unaltered upon effectiveness of this Scheme and the lenders shall execute Pari Passu Security Sharing Agreement.

42. CONTRACTS, DEEDS AND OTHER INSTRUMENTS, ETC

a. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments, of whatsoever nature, to which the Demerged Company/Transferor Company is a party or to the benefit of which the Demerged Company/Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, so far as it relates to Ananta Fashion Business Undertaking, shall continue in full force and effect by, for or against or in favour of as the case may be, the Transferee Company 3/AFL and may be enforced as fully and effectually as if instead of the Demerged Company/Transferor Company, the Transferee Company 3/AFL had been a party or beneficiary or obligee or obligor thereto or thereunder, subject to such changes and variations in the terms, conditions and provisions thereof as may be mutually agreed to between Transferee Company 3/AFL and other parties thereto. Transferee Company 3/AFL shall enter and/or issue and/or execute deeds, writings or confirmations or enter into any arrangement, confirmations or novation in order to give formal effect to the provisions of this Clause 42(a), if so required or if it becomes necessary by law or by any other arrangement.

b. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Ananta Fashion Business Undertaking of Demerged Company/Transferor Company occurs by virtue of this Scheme itself, the Transferee Company 3/AFL may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite agreements or arrangements with any party to any contract or arrangement to which the Transferor Company is a party of any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company 3/AFL shall, under the provisions of the Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

c. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company/Transferor Company to the extent related to Ananta Fashion Business Undertaking shall, without any further act or deed, stand transferred to the Transferee Company 3/AFL, as if the same were originally given by, issued to or executed in favour of the Transferee Company 3/AFL, and the Transferee Company 3/AFL shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company 3/AFL. The Transferee Company 3/AFL shall receive relevant approvals from the appropriate authorities as may be necessary in this behalf.

d. The Transferee Company 3/AFL shall be entitled to the benefit of all insurance policies, if any, issued in respect of the Transferor Company only in relation to its Ananta Fashion Business Undertaking and the name of the Transferee Company 3/AFL, shall be substituted as “Insured” in the policy as if the Transferee Company 3/AFL was initially a party.

43. STANDSTILL PROVISIONS TILL EFFECTIVE DATE

For the period from the Appointed Date and up to the Effective Date:

a. With effect from the Appointed Date and up to and including the Effective Date, all general and indivisible profits or incomes accruing or arising to the Demerged Company/Transferor Company and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profit and income) by the Demerged Company/Transferor Company, shall, unless the same are distinctly identifiable as relating and attributable to the Ananta Fashion Business Undertaking, for all purposes, be treated and be deemed to be and accrued as the profits or incomes or as the case may be, expenditure or losses (including taxes) of the Demerged Company.

b. Any of the rights, powers, authorities and privileges attached or related or pertaining to Ananta Fashion Business Undertaking and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and behalf of and as its trustee and agent for the Transferee Company 3/AFL. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Ananta Fashion Business Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company 3/AFL;

c. With effect from the Appointed Date and up to and including the Effective Date, the Transferor Companies shall carry on and shall be deemed to have carried on all its business and activities relating to Ananta Fashion Business Undertaking as hitherto and shall hold and stand possessed shall be deemed to have held and stood possessed of all its assets and properties in relation to its Ananta Fashion Business Undertaking, on account of, and for the benefit of and in trust for, the Transferee Company 3/AFL. The Demerged Company shall hold the said assets with utmost prudence until the Effective Date.

d. The Demerged Company/Transferor Companies shall preserve and carry on Ananta Fashion Business Undertaking with reasonable diligence and business prudence and shall not, alter or diversify their respective businesses nor venture into any new businesses, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except the ordinary course of business without the prior consent of the Transferee Company 3/AFL or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of each of the Transferor Company and the Transferee Company 3/AFL.

44. ACCOUNTING TREATMENTS OF ASSETS, LIABILITIES AND RESERVES AND SURPLUS OF THE TRANSFEROR COMPANY IN THE BOOKS OF THE TRANSFEREE COMPANY 3/AFL:

44.1 Accounting Treatment in the Books of the Transferee Company 3/AFL

a. Upon coming into effect of this Scheme and with effect from the Appointed Date, for the purposes of accounting for and dealing with the value of the assets and liabilities of the Ananta Fashion Business Undertaking of the Demerged Company/Transferor Company in the Books of the Transferee Company 3/AFL, the assets and liabilities of the Transferor Company on the basis in their respective audited financial statement for the year ending 30th June 2024 and provisional financial statements as of the Appointed Date shall be accounted subject to any changes.
b. Transferee Company 3/AFL shall credit the aggregate face value/nominal value of new shares issued by it to the shareholders of Demerged Company/Transferor Company to the Share Capital Account in its books of accounts.
c. The Transferee Company 3/AFL shall, from Appointed Date to the Effective Date, record in its books of account, all transactions of the Ananta Fashion Business Undertaking of the Demerged Company in respect of assets, liabilities, income and expenses, to the extent such transactions are capable of being distinctly identified as relatable and attributable to the Ananta Fashion Business Undertaking.

d. Any excess of the net assets of the Transferor Company over the paid-up value of the shares, pursuant to this Scheme shall be transferred and credited to the "Capital Reserve" in the books of the Transferee Company.

44.2 Accounting Treatment in the books of the Demerged Company/Transferor Company

a. The Demerged Company/Transferor Company shall reduce from its books, the book value of assets and liabilities along with relatable provisions, if any, demerged as part of the Ananta Fashion Business Undertaking to Transferee Company 3/AFL, pursuant to the Scheme.

b. The difference arising pursuant to the net assets (assets less liabilities) of the Ananta Fashion Business Undertaking of the Demerged Company/Transferor Company transferred to the Transferee Company 3/AFL shall be adjusted with the Capital Reserve/ Securities Premium/ Retained earnings or any other reserves of the Demerged Company as on Appointed Date in accordance with applicable accounting standard.

45. DIVIDEND

From the date of filing the Scheme to the Effective Date:

a. except as expressly contemplated or permitted by any decision of the Board of Directors of the Transferee Company 3/AFL, the Transferor Company shall not declare/or pay dividends or other distribution payable in cash, stock, property or otherwise with respect to any of its capital stock;

b. The Transferor Company, except as mentioned otherwise in this Scheme, shall not issue or allot any shares, right shares, or bonus shares or any other security converting into equity or other share capital or obtain any other financial assistance converting into equity or other share capital, unless agreed to by the Board of Directors of the Transferee Company 3/AFL;

c. The Transferee Company 3/AFL shall be entitled to declare and pay dividends, whether interim or final, to their ordinary shareholders in respect of the accounting period after the Appointed Date and prior to the Effective Date;

d. Until the coming into effect of the Scheme, the holders of equity shares of the Transferor Companies and the Transferee Company 3/AFL shall, save as expressly provided otherwise in this Scheme continue to enjoy their existing respective rights under their respective Articles of Association. It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and/or the Transferee Company 3/AFL to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and the Transferee Company 3/AFL and subject to, wherever necessary, the approval of the shareholders of the Transferor Company and the Transferee Company 3/AFL, respectively.

46. LEGAL PROCEEDINGS

a. Upon coming into effect of the Scheme, on and from the Appointed Date, all suits, actions, claims and legal proceedings, if any, by or against the Demerged Company/Transferor Company in respect of Ananta Fashion Business Undertaking pending and/or arising on or before the Effective Date shall be continued and/or enforced by or against the Transferee Company 3/AFL as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or pending and/or arising by or against the Transferee Company 1/ACWL. Following the Effective Date, the Transferee Company 3/AFL undertakes to have all legal or other proceedings initiated by or against the Demerged Company, to the extent they relate to Ananta Fashion Business Undertaking, and doing so is practically feasible, transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company 3/AFLto the exclusion of the Demerged Company.

b. All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitration, execution proceedings, revisions, writ petitions, if any) by or against Demerged Company/Transferor Company in respect of Ananta Fashion Business Undertaking shall not abate, be discontinued or be in any way prejudicially affected by reasons of this Scheme or the transfer of the Ananta Fashion Business Undertaking or of anything contained in this Scheme, but the said proceedings shall till the Effective Date be continued, prosecuted and enforced by or against Demerged Company as if this Scheme had not been made and thereafter be continued, prosecuted and enforced by or against Transferee Company 3/AFL in the same manner and to the same extent as they would or might have been continued, prosecuted, enforced by or against Demerged Company if this Scheme had not been made.

c. The Transferee Company 3/AFL will undertake to have all legal or other proceedings initiated by or against the Transferor Company referred to in clause 46(a) above transferred to its name and to have the name continued, prosecuted and enforced by or against the Transferee Company 3/AFL to the exclusion of the Demerged Company/Transferor Company. Both companies shall make relevant applications in that behalf.

d. Notwithstanding the above, in case the proceedings referred to in 46(a) above cannot be transferred for any reason, the Demerged Company/Transferor Company shall defend the same in accordance with the advice of the Transferee Company 3/AFL and at the cost of the Transferee Company 3/AFL, and the Transferee Company 3/AFL shall reimburse, indemnify and hold harmless the Demerged Company/Transferor Company against all liabilities and obligations incurred by the Demerged Company/Transferor Company in respect thereof.

e. If proceedings are taken against the Demerged Company in respect of the Ananta Fashion Business Undertaking on or after the Appointed Date, the Demerged Company shall defend the same in accordance with the advice of the Transferee Company 3/AFL and at the cost of the Transferee Company 3/AFL. The latter shall reimburse and fully indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

47. EMPLOYEES

a. Upon coming into effect of this Scheme, the permanent employees of the Demerged Company/Transferor Company to the Ananta Fashion Business Undertaking who are in employment with the Demerged Company as on the Effective Date shall become the permanent employees of the Transferee Company 3/AFL ("Transferred Employees") with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favorable than those on which they are engaged or employed by the Demerged Company/Transferor Company. The Transferee Company 3/AFL undertakes to continue to abide by any agreement/settlement, if any, entered into by the Demerged Company/Transferor Company relating to the Ananta Fashion Business Undertaking with any union/employee of the Demerged Company/Transferor Company. The Transferee Company 3/AFL agrees that for the purpose of any payment of any compensation, gratuity and other termination benefits, the past services of the Transferred Employees with the Demerged Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.

b. Insofar as the existing provident fund trusts, gratuity funds, pension and/or superannuation fund or any other fund trusts created by the Demerged Company/Transferor Company for its employee (including the Transferred Employees) are concerned, the part of the funds referable to the Transferred Employees shall be continued for the benefit of the Transferred Employees pursuant to this Scheme in the manner provided hereinafter. The Transferee Company 3/AFL shall have the obligation to take all necessary steps to set up its own funds as soon as practicable. In the event that the Transferee Company 3/AFL has set up its own funds, the amounts in such funds in respect of contributions of the Demerged Company pertaining to the Transferred Employees of the Ananta Fashion Business Undertaking shall, subject to

the necessary approvals and permissions, if any, be transferred to the relevant funds of the Transferee Company 3/AFL. Until such time that the Transferee Company 3/AFL creates its own fund, the Transferee Company 3/AFL may, subject to necessary approvals and permissions, if any, continue to contribute in respect of the Transferred Employees, to the relevant funds of the Demerged Company. At the time that the Transferee Company 3/AFL creates its own funds, the contributions pertaining to the Transferred Employees shall be transferred to the funds created by the Transferee Company 3/AFL. Without prejudice to the generality of the foregoing, any such funds and the investments made out of such funds shall upon the coming into effect of this Scheme, be transferred to the Transferee Company 3/AFL to be held for the benefit of the concerned employees.

c. With effect from the first of the dates of filing of this Scheme with the Court and up to and including the Effective Date the Demerged Company/Transferor Company shall not vary the terms and conditions of employment of any of Transferred Employees relating to Ananta Fashion Business Undertaking, except with the prior written consent of the Transferee Company 3/AFL.

48. TAXES/DUTIES ETC

a. All taxes (including, without limitation, income tax, advance tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, paid or payable by the Demerged Company/Transferor Company in respect of the operations and/or the profits of the Ananta Fashion Business Undertaking before the Appointed Date, shall be on account of the Demerged Company/Transferor Company and, insofar as it relates to the tax payment (including, without limitation, income tax, minimum tax, dividend distribution tax, sales tax, VAT, excise duty, customs duty, services tax, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Demerged Company/Transferor Company in respect of the profits or activities or operations of the Ananta Fashion Business Undertaking of the Demerged Company/Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company 3/AFL, and, shall, in all proceedings, be dealt with accordingly.

b. On the Scheme becoming effective, the Transferee Company 3/AFL shall be entitled to file/revise its Income Tax Returns, Tax Deducted at Source ("TDS") Returns and other statutory returns, if required and shall have the right to claim refunds, depreciation benefits etc., if any, as to the Income Tax Returns filed by the Demerged Company/Transferor Company in respect of Ananta Fashion Business Undertaking so far as is necessitated on account of the Scheme becoming effective from the Appointed Date under the Scheme.

c. Upon the Scheme coming into effect, all taxes payable by the Demerged Company/Transferor Company, and all or any refunds and claims, which can be identified distinctly as being related and attributable to Ananta Fashion Business Undertaking, with effect from the Appointed Date shall, for all purposes, be treated as the tax liabilities or refunds and claims (including, without limitation, income tax, minimum tax, dividend distribution tax, VAT, excise duty, customs duty, services tax, etc.), as the case may be, of the Transferee Company 3/AFL. Accordingly, upon the Scheme becoming effective, the Demerged Company and Transferee Company 3/AFL are also expressly permitted to revise their respective Financial Statements, Income Tax Returns, TDS Returns, VAT Returns and other tax/statutory returns and to claim refunds, advance tax and withholding tax credits, benefits of credit for Minimum Tax in accordance with Income Tax Act 2023, Value Added Tax and Supplementary Duties Act 2012 and Customs Act, 1969.

d. Without prejudice to the above, it is hereby clarified that nothing in this Clause shall be deemed to have affected the rights of the Demerged Company to carry forward of accumulated depreciation, losses and income tax refunds, etc. accrued or incurred, before or on the Appointed Date, nor shall this Scheme be deemed to be conferring a right upon the Transferee Company 3/AFL to carry forward such accumulated depreciation and losses of the Demerged Company arising before or on the Appointed Date.

e. On and from the Appointed Date, if any certificate for TDS or any other tax credit certificate specifically and distinctly relating to the Ananta Fashion Business Undertaking of the Demerged Company/Transferor Company is received in the name of the Demerged Company/Transferor Company, it shall be deemed to have been received in the name of the Transferee Company 3/AFL, which alone shall be entitled to claim credit for such tax deducted or paid.

f. With effect from the Appointed Date, all VAT Registrations, Certificates, Declarations, Returns, all indirect taxes and duties including VAT, excise duty, customs duty etc. and any balance therein relating to the Ananta Fashion Business Undertaking shall be deemed transferred to the Transferee Company 3/AFL and shall, in all proceedings, be dealt with accordingly.

g. Without prejudice to the generality of the above, all benefits, entitlements, incentives, credits (including Income Tax; Excise Duty, Customs Duty, VAT, registrations, etc.) to which the Demerged Company/Transferor Company is entitled to specifically and identifiably in relation to Ananta Fashion Business Undertaking, in terms of Applicable Laws, shall be available to and vest in the Transferee Company 3/AFL, upon the Scheme coming into effect

h. Any tax loss not specifically allocable or related to the Ananta Fashion Business Undertaking of Demerged Company/Transferor Company, to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date, shall be retained with the Remaining Business of the Demerged Company.

i. All tax assessment proceedings/appeals of whatsoever nature by or against the Demerged Company/Transferor Company so far as it identifiably relates to Ananta Fashion Business Undertaking pending on and/or arising at the Appointed Date and relating to the Demerged Company shall be continued and/or enforced until the Effective Date by the Demerged Company. In the event of the Demerged Company/Transferor Company failing to continue or enforce the proceedings/appeal, to the same extent the proceedings may be distinctly identifiable to Ananta Fashion Business Undertaking, the same may be continued or enforced by the Transferee Company 3/AFL. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Demerged Entity, only to the extent that the proceedings may be separately and distinctly identifiable to relate to Remaining Business, while the proceedings relating to the Ananta Fashion Business Undertaking, as far as practicably possible, be enforced and continued by the Transferee Company 3/AFL.

j. The Transferee Company 3/AFL will be successor of the Transferor Companies. Any unutilized credit relating to excise duties paid on inputs lying to the account of business and operation of the Ananta Fashion Business Undertaking of Transferor Company as well as any unutilized credits relating to Value Added Tax (VAT) paid on input services consumed by the Transferor Company shall be transferred to the Transferee Company 3/AFL automatically without any specific approval or permission as an integral part of the Scheme;

k. If the Transferor Company is entitled to any benefits under incentive schemes and policies in relation to the business and operation of the Ananta Fashion Business Undertaking, it is declared that the benefits under all such incentive schemes and policies shall be transferred to and vested in the Transferee Company 3/AFL;

49. BANK ACCOUNTS

On and from the Effective Date and till such time that the name of the bank accounts of the Demerged Company/Transferor Company, in relation to or in connection with the Ananta Fashion Business Undertaking, have been replaced with that of the Transferee Company 3/AFL, the Transferee Company 3/AFL shall be entitled to maintain and operate the bank accounts of the Demerged Company/Transferor Company, in the name of the Demerged Company/Transferor Company for such time as may be determined to

be necessary by the Transferee Company 3/AFL. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company/Transferor Company, specifically in relation to or in connection with the Ananta Fashion Business Undertaking, after the Effective Date shall be accepted by the bankers of the Transferee Company 3/AFL and credited to the account of the Transferee Company 3/AFL, if presented by the Transferee Company 3/AFL.

50. RIGHTS OF SHAREHOLDERS

The shareholders of Demerged Company/Transferor Company and Transferee Company 3/AFL shall, save as otherwise, provided under this Scheme, continue to enjoy their existing rights under their respective Articles of Association, including the right to receive dividends, from the respective company of which they are members till the Effective Date. It is clarified that it is an enabling clause and not an obligation on the Demerged Company/Transferor Company and/or Transferee Company 3/AFL to pay any dividend.

51. SAVING OF CONCLUDED TRANSACTIONS

a. Subject to the terms of this Scheme, the transfer and vesting of the Ananta Fashion Business Undertaking under Part IV of this Scheme shall not affect any transactions or proceedings already concluded by the Demerged Company and the Transferee Company 3/AFL on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company 3/AFL accepts and adopts all acts, deeds and things made, done and executed by the Demerged Company/Transferor Company in relation to Ananta Fashion Business Undertaking as acts deeds and things made, done and executed by or on behalf of the Transferee Company 3/AFL.

b. Without prejudice to the provisions of the foregoing, and upon the effectiveness of this Part II of this Scheme, the Demerged Company/Transferor Company and the Transferee Company 3/AFL shall be entitled to apply to the Government Authorities or any other appropriate authorities as are necessary under any law for such consents, approvals and sanctions which the Transferee Company 3/AFL may require and execute any and all instruments or documents and do all the acts and deeds as may be required, including filing of necessary particulars and/or modification(s) of charge, with the RJSC or filing of necessary applications, notices, intimations or letters with any authority or person to give effect to the Scheme.

52. CONSIDERATION

a. Following the Effective Date of this Scheme and in consideration for the Demerger by way of transfer and vesting of the Ananta Fashion Business Undertaking of Demerged Company/ Transferor Company to the Transferee Company 3/AFL shall, without further application, act, instrument or deed, issue and allot its equity shares to the equity shareholders of Demerged Company/Transferor Company, whose names are recorded in the register of members of the Transferor Company/Demerged Company or to their heirs or to any other person as may be nominated by the Shareholder(s), on a date (hereinafter referred to as the "Record Date") to be fixed by the Board of Directors of the Transferee Company 3/AFL, up to 20,00,000 ordinary shares of Tk. 100 each, credited as fully diluted paid-up shares of the Transferee Company 3/AFL amounting total up to Tk 20,00,00,000 total fully diluted paid up equity capital at the Effective Date according to their shareholding ratio in the Transferor Company/Demerged Company or such adjusted number of ordinary shares as may be agreed upon by the Shareholders of both the parties. Accordingly, subject to the provisions of Clause 75 (Modification of the Scheme hereof, the Shareholders (or such of their heirs, executors, administrators or the successor-in-title) of the Demerged Company/Transferor Company, shall be entitled up to 20,00,000 of ordinary shares of Tk. 100 each, or such adjusted number of ordinary shares of the Transferee Company 3/AFL as may be agreed upon by the Shareholders of both the parties (the "Consideration Shares for AFL"). *A description of the post-demerger shareholding of Transferee Company 3/AFL is enclosed herewith as Schedule 2(C).*

b. The issue and allotment of shares by the Transferee Company 3/AFL to the shareholders of the Demerged Company/Transferor Company as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out in accordance with the procedures laid down under the Act, as may be applicable.

PART V
DEMERGER, TRANSFER AND VESTING OF DNV CLOTHING BUSINESS BUSINESS UNDERTAKING OF DEMERGED COMPANY/TRANSFEROR COMPANY INTO DNV CLOTHING LTD

53. TRANSFER OF ASSETS

Upon the coming into effect of this Scheme and with effect from the Appointed Date:

i. All assets, rights, title, interests authorities and properties comprised in the DNV Clothing Business Undertaking of the Transferor Company, of whatsoever nature and wheresoever, whether or not included in the books of the Demerged Company, on or after the Appointed Date shall, under the provisions of Section 228 and 229 of the Act, and all other applicable provisions, if any, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company 4/DVNCL on a going concern basis so as to become the assets and properties of the Transferee Company 4/DVNCL upon the coming into effect of this Scheme pursuant to the provisions of the Act;

ii. In respect of such assets and properties pertaining to the DNV Clothing Business Undertaking of Demerged Company/Transferor Company as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Demerged Company and shall, upon such transfer, become the assets and properties of the Transferee Company 3/AFL as an integral part of the DNV Clothing Business Undertaking, without requiring any separate deed or instrument or conveyance for the same in pursuance of the provisions of Section 229(2) and other applicable provisions of the Act;

iii. In respect of movables other than those dealt with in Section 53(ii) above, assets and liabilities including sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government Authority, quasi government, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company 3/AFL without any notice or other intimation to the debtors (although the Transferee Company 3/AFL may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositee, as the case may be, that the said debt, advance, balance or deposit stands transferred and vested in the Transferee Company 4/DVNCL);

iv. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all quality certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other intellectual property and all other interests relating to the goods or services being dealt with by the DNV Clothing Business Undertaking, be transferred to and vested in the Transferee Company 4/DVNCL. Insofar as the various incentives, subsidies (including applications for subsidies), rehabilitation schemes, grants, special status and other benefits or privileges enjoyed, granted by any Government Authority, local authority or by any other person, or availed of by the Demerged Company/Transferor Company are concerned, the same shall, without any further act or deed, in so far as they relate to the DNV Clothing Business Undertaking, vest with and be available to the Transferee Company 4/DVNCL on the same terms and conditions.

v. All consents, permissions, licenses, permits, quotas, approvals, certificates, clearances, authorities, leases, tenancy, assignments, allotments, registrations, incentives, subsidies, concessions, grants, rights, IPRs, claims, liberties, special status, other benefits or privileges and any power of attorney given by, issued to or executed in favour of, enjoyed or conferred upon or held or availed by the DNV Clothing Business Undertaking of Demerged Company/Transferor Company and all rights and benefits, which have accrued to or may be accrued in before the Effective Date, shall, under the provisions of this Scheme, Section 228 to 229 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be

transferred to and vested in and be available to the Transferee Company 4/DVNCL so as to become from the Appointed Date, consents, permissions. Licenses, permits, quotas, approvals, certificates, clearances, authorities, leases, tenancy, assignments, allotments, registrations, incentives, subsidies, concessions, grants, rights, IPRs, claims, liberties, special status, other benefits or privileges of the Transferee Company 4/DVNCL shall remain valid, effective and enforceable on the same terms and conditions.

In addition to the general consents, permissions, licenses, and approvals mentioned herein, the following specific consents, licenses, and permissions shall also be transferred to/restored/continued and vested in DNVCL as per Schedule 1(D).

vi. All immoveable property, whether or not included in the books of the Demerged Company/Transferor Company, whether freehold or leasehold (including but not limited to land, buildings, sites, tenancy rights related thereto, and immovable properties and any other document of title, rights, interest and easements in relation thereto) of the DNV Clothing Business Undertaking shall stand transferred to and be vested in the Transferee Company 4/DVNCL, without any act or deed to be done or executed by the Demerged Company/Transferor Company and/or Transferee Company 4/DVNCL.

vii. Insofar as the assets comprised in the DNV Clothing Business Undertaking of Demerged Company/Transferor Company are concerned, the security or charge over such assets relating to any loans, debentures or borrowing or guarantee of the Demerged Company/Transferor Company, which are in connection with the DNV Clothing Business Undertaking, shall without any further act or deed be transferred along with DNV Clothing Business Undertaking to the Transferee Company 4/DVNCL.

viii. Where the Demerged Company/Transferor Company is entitled to various benefits under incentive schemes and policies in relation to the DNV Clothing Business Undertaking and pursuant to this Scheme, it is declared that the benefits under all such schemes and policies shall be transferred to and vest in the Transferee Company 4/DVNCL and all benefits, entitlements and incentives of any nature whatsoever shall be claimed by the Transferee Company 4/DVNCL and these shall relate back to the Appointed Date as if the Transferee Company 4/DVNCL was originally entitled to all benefits under such incentive scheme and/or policies, subject to continued compliance by the Transferee Company 4/DVNCL of all the terms and conditions subject to which the benefits under the incentive schemes were made available to the Demerged Company/Transferor Company.

54. TRANSFER OF LIABILITIES

Upon the coming into effect of this Scheme and with effect from the Appointed Date:

i. All the loans raised and utilized, and all liabilities, duties and obligations incurred or undertaken by the Demerged Company/Transferor Company in relation to the activities or operations of the DNV Clothing Business Undertaking or as acquired on or after the Appointed Date shall, to the extent they are outstanding on the Effective Date, under the provisions of this Scheme, Sections 228 and 229 of the Act, and all other applicable provisions, if any, shall, without any further act or deed, be and stand transferred and vested to or deemed to have been transferred and vested to the Transferee Company 4/DNVCL and shall become the loans, liabilities, duties and obligations of the Transferee Company 4/DNVCL, on the same terms and conditions, which shall undertake to meet, discharge and satisfy the same and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the consent or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme. In addition, all specific charges (fixed and floating) created on any specific shall continue to remain with the respective lenders and other lenders shall not have any right over the specific charges created.

ii. Without prejudice to the provisions of 54(i) above, all general and multipurpose liabilities and borrowings including fund-based and non-fund based limits sanctioned by the lenders to the Demerged Company/Transferor Company will be allocated and transferred to the Transferee Company 4/DNVCL based on mutual agreement between the

board of directors of the Demerged Company/Transferor Company and the Transferee Company 4/DNVCL.

iii. All specific loans and borrowings, raised and used, and all liabilities and obligation incurred and utilized by the Demerged Company/Transferor Company solely for the operations and activities of DNV Clothing Business Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company 4/DNVCL and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed be and stand transferred to the Transferee Company 4/DNVCL and shall become liabilities and obligations of the Transferee Company 4/DNVCL which shall undertake to meet and discharge and satisfy the same.

iv. Where any of the debts, liabilities and obligations of the Demerged Company/Transferor Company relating to the DNV Clothing Business Undertaking as on the Appointed Date is deemed to be transferred to the Transferee Company 4/DNVCL, have been discharged by the Demerged Company/Transferor Company after the Appointed Date but before the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company 4/DNVCL and the Transferee Company 4/DNVCL shall promptly upon demand by the Demerged Company make good and pay the same to the Demerged Company/Transferor Company.

v. The Transferor Company may, if required, give notice in such form as it may deem fit and proper to each party, debtor or borrower as the case may be, that pursuant to the High Court Division sanctioning the Scheme, the said debt, loan, advance, etc. be paid or made good or held on account of the Transferee Company 4/DNVCL as the person entitled thereto;

vi. The Transferee Company 4/DNVCL may, if required, give notice in such form as it may deem fit and proper to each person, debtor or borrower that pursuant to the High Court Division having sanctioned the Scheme, the said person, debtor or borrower shall pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company 4/DNVCL to recover or realise the same is in submission of the right of the Transferor Company;

55. ENCUMBRANCES

a. The transfer and vesting of the assets comprised in the DNV Clothing Business Undertaking of the Demerged Company/Transferor Company to and in the Transferee Company 4/DNVCL under this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided:

   i. All the existing securities, mortgages, charges, encumbrances or liens ("Encumbrances"), if any, as on the Appointed Date and created by the Demerged Company/Transferor Company after the Appointed Date over the assets comprised in the DNV Clothing Business Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Demerged Company/Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred and vested in the Transferee Company 4/DNVCL, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company provided however that no Encumbrances shall have been created by the Demerged Company/Transferor Company over its assets after the date of filing of the Scheme without the prior written consent of the Board of Directors of the Transferee Company 4/DNVCL.

   ii. Unless provided for otherwise in this Scheme, upon the coming into effect of this Scheme, the Transferee Company 4/DNVCL alone shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of the Scheme.

b. Without prejudice to the provisions of the foregoing Sections and upon the effectiveness of this Scheme, the Transferor Company and the Transferee Company 4/DNVCL shall execute any instruments or documents or do all the acts and deeds as may be required including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Joint Stock Companies and Firms and other regulatory bodies, if required by law, having Jurisdiction to give formal effect to the above provisions, if required;

c. It is expressly provided that no other term or condition of the liabilities transferred to the Transferee Company 4/DNVCL is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication. Furthermore, the ranking among the lenders of the Transferor Company shall remain unaltered upon effectiveness of this Scheme and the lenders shall execute Pari Passu Security Sharing Agreement.

56. CONTRACTS, DEEDS AND OTHER INSTRUMENTS, ETC

a. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments, of whatsoever nature, to which the Demerged Company/Transferor Company is a party or to the benefit of which the Demerged Company/Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, so far as it relates to DNV Clothing Business Undertaking, shall continue in full force and effect by, for or against or in favour of as the case may be, the Transferee Company 4/DNVCL and may be enforced as fully and effectually as if instead of the Demerged Company/Transferor Company, the Transferee Company 4/DNVCL had been a party or beneficiary or obligee or obligor thereto or thereunder, subject to such changes and variations in the terms, conditions and provisions thereof as may be mutually agreed to between Transferee Company 4/DNVCL and other parties thereto. Transferee Company 4/DNVCL shall enter and/or issue and/or execute deeds, writings or confirmations or enter into any arrangement, confirmations or novation in order to give formal effect to the provisions of this Clause 56(a), if so required or if it becomes necessary by law or by any other arrangement.

b. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the DNV Clothing Business Undertaking of Demerged Company/Transferor Company occurs by virtue of this Scheme itself, the Transferee Company 4/DNVCL may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite agreements or arrangements with any party to any contract or arrangement to which the Transferor Company is a party of any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company 4/DNVCL shall, under the provisions of the Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

c. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company/Transferor Company to the extent related to DNV Clothing Business Undertaking shall, without any further act or deed, stand transferred to the Transferee Company 4/DNVCL, as if the same were originally given by, issued to or executed in favour of the Transferee Company 4/DNVCL, and the Transferee Company 4/DNVCL shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company 4/DNVCL. The Transferee Company 4/DNVCL shall receive relevant approvals from the appropriate authorities as may be necessary in this behalf.

d. The Transferee Company 4/DNVCL shall be entitled to the benefit of all insurance policies, if any, issued in respect of the Transferor Company only in relation to its DNV Clothing Business Undertaking and the name of the Transferee Company 4/DNVCL, shall be substituted as "Insured" in the policy as if the Transferee Company 4/DNVCL was initially a party.

57. STANDSTILL PROVISIONS TILL EFFECTIVE DATE

For the period from the Appointed Date and up to the Effective Date:

a. With effect from the Appointed Date and up to and including the Effective Date, all general and indivisible profits or incomes accruing or arising to the Demerged Company/Transferor Company and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profit and income) by the Demerged Company/Transferor Company, shall, unless the same are distinctly identifiable as relating and attributable to the DNV Clothing Business Undertaking, for all purposes, be treated and be deemed to be and accrued as the profits or incomes or as the case may be, expenditure or losses (including taxes) of the Demerged Company.

b. Any of the rights, powers, authorities and privileges attached or related or pertaining to DNV Clothing Business Undertaking and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and behalf of and as its trustee and agent for the Transferee Company 4/DNVCL. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the DNV Clothing Business Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company 4/DNVCL;

c. With effect from the Appointed Date and up to and including the Effective Date, the Transferor Companies shall carry on and shall be deemed to have carried on all its business and activities relating to DNV Clothing Business Undertaking as hitherto and shall hold and stand possessed shall be deemed to have held and stood possessed of all its assets and properties in relation to its DNV Clothing Business Undertaking, on account of, and for the benefit of and in trust for, the Transferee Company 4/DNVCL. The Demerged Company shall hold the said assets with utmost prudence until the Effective Date.

d. The Demerged Company/Transferor Companies shall preserve and carry on DNV Clothing Business Undertaking with reasonable diligence and business prudence and shall not, alter or diversify their respective businesses nor venture into any new businesses, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except the ordinary course of business without the prior consent of the Transferee Company 4/DNVCL or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of each of the Transferor Company and the Transferee Company 4/DNVCL.

58. ACCOUNTING TREATMENTS OF ASSETS, LIABILITIES AND RESERVES AND SURPLUS OF THE TRANSFEROR COMPANY IN THE BOOKS OF THE TRANSFEREE COMPANY 4/DNVCL:

Accounting Treatment in the Books of the Transferee Company 4/DNVCL

a. Upon coming into effect of this Scheme and with effect from the Appointed Date, for the purposes of accounting for and dealing with the value of the assets and liabilities of the DNV Clothing Business Undertaking of the Demerged Company/Transferor Company in the Books of the Transferee Company 4/DNVCL, the assets and liabilities of the Transferor Company on the basis in their respective audited financial statement for the year ending 30th June 2024 and provisional financial statements as of the Appointed Date shall be accounted subject to any changes.

b. Transferee Company 4/DNVCL shall credit the aggregate face value/ nominal value of new shares issued by it to the shareholders of Demerged Company/Transferor Company to the Share Capital Account in its books of accounts.

c. The Transferee Company 4/DNVCL shall, from Appointed Date to the Effective Date, record in its books of account, all transactions of the DNV Clothing Business Undertaking of the Demerged Company in respect of assets, liabilities, income and expenses, to the extent such transactions are capable of being distinctly identified as relatable and attributable to the DNV Clothing Business Undertaking.

d. Any excess of the net assets of the Transferor Company over the paid-up value of the shares, pursuant to this Scheme shall be transferred and credited to the "Capital Reserve" in the books of the Transferee Company.

Accounting Treatment in the books of the Demerged Company/Transferor Company

c. The Demerged Company/Transferor Company shall reduce from its books, the book value of assets and liabilities along with relatable provisions, if any, demerged as part of the DNV Clothing Business Undertaking to Transferee Company 4/DNVCL, pursuant to the Scheme.

d. The difference arising pursuant to the net assets (assets less liabilities) of the DNV Clothing Business Undertaking of the Demerged Company/Transferor Company transferred to the Transferee Company 4/DNVCL shall be adjusted with the Capital Reserve/ Securities Premium/ Retained earnings or any other reserves of the Demerged Company as on Appointed Date in accordance with applicable accounting standard.

59. DIVIDEND

From the date of filing the Scheme to the Effective Date:

a. except as expressly contemplated or permitted by any decision of the Board of Directors of the Transferee Company 4/DNVCL, the Transferor Company shall not declare/or pay dividends or other distribution payable in cash, stock, property or otherwise with respect to any of its capital stock;

b. The Transferor Company, except as mentioned otherwise in this Scheme, shall not issue or allot any shares, right shares, or bonus shares or any other security converting into equity or other share capital or obtain any other financial assistance converting into equity or other share capital, unless agreed to by the Board of Directors of the Transferee Company 4/DNVCL;

c. The Transferee Company 4/DNVCL shall be entitled to declare and pay dividends, whether interim or final, to their ordinary shareholders in respect of the accounting period after the Appointed Date and prior to the Effective Date;

d. Until the coming into effect of the Scheme, the holders of equity shares of the Transferor Companies and the Transferee Company 4/DNVCL shall, save as expressly provided otherwise in this Scheme continue to enjoy their existing respective rights under their respective Articles of Association. It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and/or the Transferee Company 4/DNVCL to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and the Transferee Company 4/DNVCL and subject to, wherever necessary, the approval of the shareholders of the Transferor Company and the Transferee Company 4/DNVCL, respectively.

60. LEGAL PROCEEDINGS

a. Upon coming into effect of the Scheme, on and from the Appointed Date, all suits, actions, claims and legal proceedings, if any, by or against the Demerged Company/Transferor Company in respect of DNV Clothing Business Undertaking pending and/or arising on or before the Effective Date shall be continued and/or enforced

by or against the Transferee Company 4/DNVCL as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or pending and/or arising by or against the Transferee Company 1/ACWL. Following the Effective Date, the Transferee Company 4/DNVCL undertakes to have all legal or other proceedings initiated by or against the Demerged Company, to the extent they relate to DNV Clothing Business Undertaking, and doing so is practically feasible, transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company 4/DNVCLto the exclusion of the Demerged Company.

b. All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitration, execution proceedings, revisions, writ petitions, if any) by or against Demerged Company/Transferor Company in respect of DNV Clothing Business Undertaking shall not abate, be discontinued or be in any way prejudicially affected by reasons of this Scheme or the transfer of the DNV Clothing Business Undertaking or of anything contained in this Scheme, but the said proceedings shall till the Effective Date be continued, prosecuted and enforced by or against Demerged Company as if this Scheme had not been made and thereafter be continued, prosecuted and enforced by or against Transferee Company 4/DNVCL in the same manner and to the same extent as they would or might have been continued, prosecuted, enforced by or against Demerged Company if this Scheme had not been made.

c. The Transferee Company 4/DNVCL will undertake to have all legal or other proceedings initiated by or against the Transferor Company referred to in clause 24(a) above transferred to its name and to have the name continued, prosecuted and enforced by or against the Transferee Company 4/DNVCL to the exclusion of the Demerged Company/Transferor Company. Both companies shall make relevant applications in that behalf.

d. Notwithstanding the above, in case the proceedings referred to in 60(a) above cannot be transferred for any reason, the Demerged Company/Transferor Company shall defend the same in accordance with the advice of the Transferee Company 4/DNVCL and at the cost of the Transferee Company 4/DNVCL, and the Transferee Company 4/DNVCL shall reimburse, indemnify and hold harmless the Demerged Company/Transferor Company against all liabilities and obligations incurred by the Demerged Company/Transferor Company in respect thereof.

e. If proceedings are taken against the Demerged Company in respect of the DNV Clothing Business Undertaking on or after the Appointed Date, the Demerged Company shall defend the same in accordance with the advice of the Transferee Company 4/DNVCL and at the cost of the Transferee Company 4/DNVCL. The latter shall reimburse and fully indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

61. EMPLOYEES

a. Upon coming into effect of this Scheme, the permanent employees of the Demerged Company/Transferor Company to the DNV Clothing Business Undertaking who are in employment with the Demerged Company as on the Effective Date shall become the permanent employees of the Transferee Company 4/DNVCL (“Transferred Employees”) with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favorable than those on which they are engaged or employed by the Demerged Company/Transferor Company. The Transferee Company 4/DNVCL undertakes to continue to abide by any agreement/settlement, if any, entered into by the Demerged Company/Transferor Company relating to the DNVC Business Undertaking with any union/employee of the Demerged Company/Transferor Company. The Transferee Company 4/DNVCL agrees that for the purpose of any payment of any compensation, gratuity and other termination benefits, the past services of the Transferred Employees with the Demerged Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.

b. Insofar as the existing provident fund trusts, gratuity funds, pension and/or superannuation fund or any other fund trusts created by the Demerged Company/Transferor Company for its employee (including the Transferred Employees) are concerned, the part of the funds referable to the Transferred Employees shall be continued for the benefit of the Transferred Employees pursuant to this Scheme in the manner provided hereinafter. The Transferee Company 4/DNVCL shall have the obligation to take all necessary steps to set up its own funds as soon as practicable. In the event that the Transferee Company 4/DNVCL has set up its own funds, the amounts in such funds in respect of contributions of the Demerged Company pertaining to the Transferred Employees of the DNV Clothing Business Undertaking shall, subject to the necessary approvals and permissions, if any, be transferred to the relevant funds of the Transferee Company 4/DNVCL. Until such time that the Transferee Company 4/DNVCL creates its own fund, the Transferee Company 4/DNVCL may, subject to necessary approvals and permissions, if any, continue to contribute in respect of the Transferred Employees, to the relevant funds of the Demerged Company. At the time that the Transferee Company 4/DNVCL creates its own funds, the contributions pertaining to the Transferred Employees shall be transferred to the funds created by the Transferee Company 4/DNVCL. Without prejudice to the generality of the foregoing, any such funds and the investments made out of such funds shall upon the coming into effect of this Scheme, be transferred to the Transferee Company 4/DNVCL to be held for the benefit of the concerned employees.

c. With effect from the first of the dates of filing of this Scheme with the Court and up to and including the Effective Date the Demerged Company/Transferor Company shall not vary the terms and conditions of employment of any of Transferred Employees relating to DNV Clothing Business Undertaking, except with the prior written consent of the Transferee Company 4/DNVCL.

62. TAXES/DUTIES ETC

a. All taxes (including, without limitation, income tax, advance tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, paid or payable by the Demerged Company/Transferor Company in respect of the operations and/or the profits of the DNV Clothing Business Undertaking before the Appointed Date, shall be on account of the Demerged Company/Transferor Company and, insofar as it relates to the tax payment (including, without limitation, income tax, minimum tax, dividend distribution tax, sales tax, VAT, excise duty, customs duty, services tax, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Demerged Company/Transferor Company in respect of the profits or activities or operations of the DNV Clothing Business Undertaking of the Demerged Company/Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company 4/DNVCL, and, shall, in all proceedings, be dealt with accordingly.

b. On the Scheme becoming effective, the Transferee Company 4/DNVCL shall be entitled to file/revise its Income Tax Returns, Tax Deducted at Source ("TDS") Returns and other statutory returns, if required and shall have the right to claim refunds, depreciation benefits etc., if any, as to the Income Tax Returns filed by the Demerged Company/Transferor Company in respect of DNV Clothing Business Undertaking so far as is necessitated on account of the Scheme becoming effective from the Appointed Date under the Scheme.

c. Upon the Scheme coming into effect, all taxes payable by the Demerged Company/Transferor Company, and all or any refunds and claims, which can be identified distinctly as being related and attributable to DNV Clothing Business Undertaking, with effect from the Appointed Date shall, for all purposes, be treated as the tax liabilities or refunds and claims (including, without limitation, income tax, minimum tax, dividend distribution tax, VAT, excise duty, customs duty, services tax, etc.), as the case may be, of the Transferee Company 4/DNVCL. Accordingly, upon the Scheme becoming effective, the Demerged Company and Transferee Company 4/DNVCL are also expressly permitted to revise their respective Financial Statements, Income Tax

Returns, TDS Returns, VAT Returns and other tax/statutory returns and to claim refunds, advance tax and withholding tax credits, benefits of credit for Minimum Tax in accordance with Income Tax Act 2023, Value Added Tax and Supplementary Duties Act 2012 and Customs Act, 1969.

d. Without prejudice to the above, it is hereby clarified that nothing in this Clause shall be deemed to have affected the rights of the Demerged Company to carry forward of accumulated depreciation , losses and income tax refunds, etc. accrued or incurred, before or on the Appointed Date, nor shall this Scheme be deemed to be conferring a right upon the Transferee Company 4/DNVCL to carry forward such accumulated depreciation and losses of the Demerged Company arising before or on the Appointed Date.

e. On and from the Appointed Date, if any certificate for TDS or any other tax credit certificate specifically and distinctly relating to the DNV Clothing Business Undertaking of the Demerged Company/Transferor Company is received in the name of the Demerged Company/Transferor Company, it shall be deemed to have been received in the name of the Transferee Company 4/DNVCL, which alone shall be entitled to claim credit for such tax deducted or paid.

f. With effect from the Appointed Date, all VAT Registrations, Certificates, Declarations, Returns, all indirect taxes and duties including VAT, excise duty, customs duty etc. and any balance therein relating to the DNV Clothing Business Undertaking shall be deemed transferred to the Transferee Company 4/DNVCL and shall, in all proceedings, be dealt with accordingly.

g. Without prejudice to the generality of the above, all benefits, entitlements, incentives, credits (including Income Tax; Excise Duty, Customs Duty, VAT, registrations, etc.) to which the Demerged Company/Transferor Company is entitled to specifically and identifiably in relation to DNV Clothing Business Undertaking, in terms of Applicable Laws, shall be available to and vest in the Transferee Company 4/DNVCL, upon the Scheme coming into effect

h. Any tax loss not specifically allocable or related to the DNV Clothing Business Undertaking of Demerged Company/Transferor Company, to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date, shall be retained with the Remaining Business of the Demerged Company.

i. All tax assessment proceedings/appeals of whatsoever nature by or against the Demerged Company/Transferor Company so far as it identifiably relates to DNV Clothing Business Undertaking pending on and/or arising at the Appointed Date and relating to the Demerged Company shall be continued and/or enforced until the Effective Date by the Demerged Company. In the event of the Demerged Company/Transferor Company failing to continue or enforce the proceedings/appeal, to the same extent the proceedings may be distinctly identifiable to DNV Clothing Business Undertaking, the same may be continued or enforced by the Transferee Company 4/DNVCL. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Demerged Entity, only to the extent that the proceedings may be separately and distinctly identifiable to relate to Remaining Business, while the proceedings relating to the DNV Clothing Business Undertaking, as far as practicably possible, be enforced and continued by the Transferee Company 4/DNVCL.

j. The Transferee Company 4/DNVCL will be successor of the Transferor Companies. Any unutilized credit relating to excise duties paid on inputs lying to the account of business and operation of the DNV Clothing Business Undertaking of Transferor Company as well as any unutilized credits relating to Value Added Tax (VAT) paid on input services consumed by the Transferor Company shall be transferred to the Transferee Company 4/DNVCL automatically without any specific approval or permission as an integral part of the Scheme;

k. If the Transferor Company is entitled to any benefits under incentive schemes and policies in relation to the business and operation of the DNV Clothing Business

Undertaking, it is declared that the benefits under all such incentive schemes and policies shall be transferred to and vested in the Transferee Company 4/DNVCL;

63. BANK ACCOUNTS

On and from the Effective Date and till such time that the name of the bank accounts of the Demerged Company/Transferor Company, in relation to or in connection with the DNV Clothing Business Undertaking, have been replaced with that of the Transferee Company 4/DNVCL, the Transferee Company 4/DNVCL shall be entitled to maintain and operate the bank accounts of the Demerged Company/Transferor Company, in the name of the Demerged Company/Transferor Company for such time as may be determined to be necessary by the Transferee Company 4/DNVCL. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company/Transferor Company, specifically in relation to or in connection with the DNV Clothing Business Undertaking, after the Effective Date shall be accepted by the bankers of the Transferee Company 4/DNVCL and credited to the account of the Transferee Company 4/DNVCL, if presented by the Transferee Company 4/DNVCL.

64. RIGHTS OF SHAREHOLDERS

The shareholders of Demerged Company/Transferor Company and Transferee Company 4/DNVCL shall, save as otherwise, provided under this Scheme, continue to enjoy their existing rights under their respective Articles of Association, including the right to receive dividends, from the respective company of which they are members till the Effective Date. It is clarified that it is an enabling clause and not an obligation on the Demerged Company/Transferor Company and/or Transferee Company 4/DNVCL to pay any dividend.

65. SAVING OF CONCLUDED TRANSACTIONS

a. Subject to the terms of this Scheme, the transfer and vesting of the DNV Clothing Business Undertaking under Part V of this Scheme shall not affect any transactions or proceedings already concluded by the Demerged Company and the Transferee Company 4/DNVCL on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company 4/DNVCL accepts and adopts all acts, deeds and things made, done and executed by the Demerged Company/Transferor Company in relation to DNV Clothing Business Undertaking as acts deeds and things made, done and executed by or on behalf of the Transferee Company 4/DNVCL.

b. Without prejudice to the provisions of the foregoing, and upon the effectiveness of this Part II of this Scheme, the Demerged Company/Transferor Company and the Transferee Company 4/DNVCL shall be entitled to apply to the Government Authorities or any other appropriate authorities as are necessary under any law for such consents, approvals and sanctions which the Transferee Company 4/DNVCL may require and execute any and all instruments or documents and do all the acts and deeds as may be required, including filing of necessary particulars and/or modification(s) of charge, with the RJSC or filing of necessary applications, notices, intimations or letters with any authority or person to give effect to the Scheme.

66. CONSIDERATION

a. Following the Effective Date of this Scheme and in consideration for the Demerger by way of transfer and vesting of the DNV Clothing Business Undertaking of Demerged Company/ Transferor Company to the Transferee Company 4/DNVCL shall, without further application, act, instrument or deed, issue and allot its equity shares to the equity shareholders of Demerged Company/Transferor Company, whose names are recorded in the register of members of the Transferor Company/Demerged Company or to their heirs or to any other person as may be nominated by the Shareholder(s), on a date (hereinafter referred to as the "Record Date") to be fixed by the Board of Directors of the Transferee Company 4/DNVCL, up to 10,00,000 ordinary shares of Tk. 100 each, credited as fully diluted paid- up shares of the Transferee Company 4/DNVCL amounting total up to 10,00,00,000 total fully diluted

paid up equity capital at the Effective Date according to their shareholding ratio in the Transferor Company/Demerged Company or such adjusted number of ordinary shares as may be agreed upon by the Shareholders of both the parties. Accordingly, subject to the provisions of Clause 75 (Modification of the Scheme hereof, the Shareholders (or such of their heirs, executors, administrators or the successor-in-title) of the Demerged Company/Transferor Company, shall be entitled up to 10,00,000 of ordinary shares of Tk. 100 each, or such adjusted number of ordinary shares of the Transferee Company 4/DNVCL as may be agreed upon by the Shareholders of both the parties (the "Consideration Shares for DNVCL"). *A description of the post-demerger shareholding of Transferee Company 4/DNVCL is enclosed herewith as Schedule 2(D)*.

b. The issue and allotment of shares by the Transferee Company 4/DNVCL to the shareholders of the Demerged Company/Transferor Company as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out in accordance with the procedures laid down under the Act, as may be applicable.

Part VI
GENERAL TERMS AND CONDITIONS

67. OPERATIVE DATE OF THE SCHEME

This Scheme shall be operative from the Effective Date with effect from the Appointed Date.

68. COURT DIRECTIONS FOR EXECUTION OF DEMERGER ORDER

In order to ensure the effective execution of the demerger and to facilitate uninterrupted business operations of the transferee companies, it is essential that the Hon'ble High Court issue detailed directions to the relevant authorities. These directions will enable the companies to regain their corporate identities, regulatory approvals, and operational licenses in a seamless manner. The following key directives should be incorporated in the demerger order:

- **Registrar of Joint Stock Companies (RJSC):**
  i) The Hon'ble High Court should direct to restore ACWL (bearing incorporation number C-69424(1935)/07), ADTL (bearing incorporation number C-65263(2755)/07), AFL (bearing incorporation number C-37792(2092)/99) and DNVCL (bearing incorporation number C-59640(1646)/05) to the register as per original registration number and file, so that restored and/or newly formed companies are restored to their previous position as they were before the merger Judgement with shareholding of each company as stated in Paragraph 9;
  ii) The Hon'ble High Court should waive any stamp duties or charges arising from the reinstatement process.

- **Trade License Issuance by City Corporation/Union Parishad:**
  The Hon'ble High Court should direct the relevant local authorities to reinstate and issue trade licenses for the reinstated Transferee Companies under their previous names, addresses, and registration numbers as they were before the merger Judgement.

- **Financial Accounting and Bookkeeping:**
  The Transferor Company to maintain tax records already submitted for fiscal years 2016/17 (AY 2017/18) to 2025/26 (AY 2026/27) in a consolidated manner; and from Financial Year 2025/26 (AY 2027/28) onwards allow each five companies to make tax submissions individually under respective TINs.

- **Income Tax Authority:**
  i) The Hon'ble High Court should instruct the Income Tax Authority to maintain the continuity of tax records already submitted for fiscal years **2016/17 (YA 2017/18) to 2025/26 (YA 2026/27)** in a consolidated manner for the Transferee Companies. From **FY 2025/26 (YA 2027/28)** onwards, tax submissions will be made individually under respective TINs of each of the Transferee Companies.
  ii) No capital gains tax or any other taxes should be imposed due to the demerger.

- **Fire Service and Civil Defense Authority:**
  The Hon'ble High Court should direct the Fire Service and Civil Defence Authority to reinstate and issue fire safety certifications and compliance documents for all Transferee Companies.

- **Customs Excise and VAT Division:**
  The Hon'ble High Court should instruct Customs Excise and VAT authorities to update VAT/BIN registration numbers for each of the Transferee Companies, ensuring the continuity of operations.

- **Chief Controller of Imports and Exports (CCI&E):**
  The Hon'ble High Court should direct the CCI&E to issue necessary certifications enabling the reinstated companies to resume import/export activities under their original business structure.

- **Customs Bond Commissionerate:**
  The Hon'ble High Court should order the Customs Bond Commissionerate to restore the

bonded licenses of the Transferee Companies, allowing them to continue operating under their original bonded registration.

- **Bangladesh Export Processing Zones Authority (BEPZA):**
  The Hon'ble High Court should instruct BEPZA to update lease agreements, user IDs, certifications, and other approvals for the Transferee Companies to comply with Export Processing Zone regulations.

- **Department of Textiles:**
  The Hon'ble High Court should order the Department of Textiles to update certifications for the Transferee Companies, ensuring uninterrupted operations within the textile sector.

- **Department of Environment:**
  The Hon'ble High Court should direct the Department of Environment to update environmental clearances and compliance certificates for the Transferee Companies.

- **Export Promotion Bureau (EPB):**
  The Hon'ble High Court should direct the EPB to update its records and ensure the continuation of export registrations and incentives for the Transferee Companies.

- **Department of Department of Inspection for Factories and Establishment (DIFE):**
  The Hon'ble High Court should instruct the DIFE to restore factory-related certifications for the Transferee Companies under the same regulatory framework.

- **Bangladesh Garment Manufacturers and Exporters Association (BGMEA):**
  The Hon'ble High Court should order BGMEA to update membership records and ensure the Transferee Companies continue their registration under the association.

- **Bangladesh Energy Regulatory Commission (BERC):**
  The Hon'ble High Court should instruct BERC to reinstate and issue certifications for the Transferee Companies, ensuring their compliance with energy regulations.

These directives are essential for a smooth transition and will enable the Transferee Companies to function effectively without operational disruptions. The court's guidance on these matters is imperative to avoid administrative complications and ensure compliance with legal, tax, financial, and regulatory frameworks.

69. FAILURE TO TAKE EFFECT:

In the event of this Scheme failing to take effect finally by such date as may be agreed by the respective Board of Directors of the Transferor Company, this Scheme shall become null and void and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se by parties or their shareholders or creditors or employees or any other person(s) unless the period of validity is extended by the High Court at its discretion.

70. SCHEME CONDITIONAL UPON APPROVALS/SANCTIONS

This Scheme is conditional upon and subject to:

i. The Scheme being approved by the members and/or creditors of the Transferor;

ii. Sanction by the High Court Division of the Supreme Court of Bangladesh, under Section 228 read with Section 229 of the Companies Act, 1994 for the amalgamation of the Transferor Company with the Transferee Companies and for implementation of this Scheme;

iii. Upon occurrence of the conditions as aforesaid, the Scheme shall come into effect on the date a certified copy of the Order made by the High Court Division being filed with Registrar of Joint Stock Companies and Firms, Dhaka, Bangladesh in compliance with the provisions of Section 228 and 229 of the Companies, 1994.

71. REMAINING BUSINESS OF THE DEMERGED COMPANY

a. The Remaining Business of the Demerged Company/Transferor Company shall continue with the Demerged Company/Transferor Company.

b. The Remaining Business of the Demerged Company/Transferor Company and all the assets, liabilities and obligations (contractual or otherwise) pertaining thereto shall continue to belong to be vested in and be managed by the Demerged Company/Transferor Company.

c. All legal, taxation or other proceedings whether civil or criminal before any Government Authority, by or against the Demerged Company/Transferor Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and any case relating to the Remaining Business of the Demerged Company/Transferor Company (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company/Transferor Company) shall be deemed to continue and be enforceable by or against the Demerged Company/Transferor Company (or the Transferee Company, as applicable) after the Effective Date.

d. With effect from the Appointed Date:

   i. The Demerged Company/Transferor Company shall carry on and shall be deemed to have been carrying on all activities relating to the Remaining Business for and on its own behalf, and/or, if the context so requires/merits, on behalf of the Transferee Companies.

   ii. All profits accruing to the Demerged Company/Transferor Company thereon or losses arising or incurred by it (including the effect of taxes, if any, thereon) of general and/or indivisible nature, or, specifically relating to the Remaining Business shall, for all purposes, be treated as the profits or losses, as the case may be, of the Demerged Company/Transferor Company, and/or, if the context so requires/merits, those of the Transferee Companies.

   iii. Nothing in this clause shall be deemed to be prejudicial to the proposed scheme of merger of the Demerged Company with its Remaining Business Undertaking with the Transferee Companies.

72. SEVERABILITY

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

73. WITHDRAWAL, REVOCATION OR CANCELLATION OF THE SCHEME

The Boards of Directors of the Transferor Company shall be entitled to withdraw this Scheme prior to the Effective Date. The Boards of Directors of the Transferor Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme with effect from the Appointed Date could have adverse implications on the Transferor Company.

74. APPLICATION OF THE HIGH COURT

The Transferor Company and its shareholders shall make all applications/petitions under Section 228 and 229 and other applicable provisions of the Companies Act, 1994 to the High Court Division for sanctioning of this Scheme.

75. MODIFICATIONS, AMENDMENTS TO THE SCHEME

The Board of Directors of the Transferor Company may assent on behalf of all concerned including the shareholders from time to time to any modifications or amendments or additions to this Scheme or to any conditions, which the High Court Division may under law thinks fit to approve or impose; and may do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect; or to review a position relating to the satisfaction of the conditions to this Scheme; and if necessary, to waive any of those (to the extent permissible under the law) for bringing this Scheme into effect.

76. EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS

In the event of any of the said sanctions and approvals referred not being obtained and/or the Scheme not being sanctioned by the Court and/or the order(s) not being passed, the Scheme shall become null and void and shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or may otherwise arise in law.

77. EFFECT OF NON-FULFILLMENT OF ANY OBLIGATION

In the event of non-fulfillment of any or all the obligations under the Scheme, by any Party. The non-performance of which will put another Party or Parties under any obligation, such defaulting Party will indemnify all costs/interest, etc. to the other Party, subject to any specific provision, if any, to the contrary under the Scheme.

78. COSTS, CHARGES AND EXPENSES

All costs, charges and expenses (including any taxes and duties registration charges, etc.) of the Parties, respectively in relation to carrying out, implementing and completing the terms and provisions of this Scheme and/or incidental to the completion of this Scheme shall be borne and paid by the Transferor Company.

SCHEDULE 1(A)

List of Licenses to be transferred to/restored in favour of ACWL

S/L No.	Name of License/Registration/Certificate	Authority
1	RJSC Memorandum & Articles of Association & Certificate of Incorporation bearing number: C-69424(1935)/07 dated 31.12.2007	Registrar of Joint Stock Companies and Firms (RJSC), Commerce Ministry
2	Trade License	Gazipur City Corporation
3	TIN Certificate bearing number: 324120633882 dated 08.06.2014	Deputy Commissioner of Taxes
4	Fire License	DD Office Fire service & civil Defence
5	BIN Certificate bearing number: 000338702-0103	Customs, Excise and VAT Commissionerate, Dhaka (North).
6	IRC no: 260326120350020 dated 07.06.2009	Chief Controller of Imports & Exports (CCI&E).
7	ERC Certificate No: 260326210533220 dated 01.06.2009	Chief Controller of Imports & Exports (CCI&E).
8	Bond License No:1219/CUS-SBW/2010 dated 01.08.2010	Customs Bond Commissionerate, Dhaka South
9	Environment Clearance Certificate	Environment Odhidoptor Gazipur District Office.
10	Factory License No: 14172/Gazipur dated 08.06.2009 Factory License No: 33-30-1-003-00438 dated 08.06.2009	Labour Inspection Management Application (LIMA).
11	Department of Textile (DOT Registration)/BOI Registration -bearing number L-62050904089-H	Department of Textile
12	EPB Registration No: BD05148	Export Promotion Bureau
13	BGMEA Membership Certificate bearing Reg No: 4909	Bangladesh Garment Manufacturers and Exporters Association (BGMEA)
14	Captive Power Plant (CPP) for Generator License-CPP-0841	Bangladesh Energy Regulatory Commission
16	Boiler License	Office of the Deputy Chief Inspector of Boilers, Gazipur.
17	Acid License	Deputy Commissioner (DC) of the respective district

SCHEDULE 1(B)

List of Licenses to be transferred to/restored in favour of ADTL

S/L No.	Name of License/Registration/Certificate	Authority
1	RJSC Memorandum & Articles of Association & Certificate fo Incorporation bearing number: C-65263(2755)/07 dated 11.01.2007	Registrar of Joint Stock Companies and Firms (RJSC), Commerce Ministry
2	Trade License	Kanchpur Union Parishad.
3	TIN Certificate bearing number: 858853911915 dated 03.05.2014	Deputy Commissioner of Taxes
4	Fire License	DD Office Fire service & civil Defence
5	BIN Certificate bearing number: 000309269-0302	Customs, Excise and VAT Commissionerate, Dhaka (East).
6	IRC bearing number: 260326120329420 dated 20.09.2007	Chief Controller of Imports & Exports (CCI&E).
7	ERC Certificate bearing number: 260326210530720 dated 02.10.2007	Chief Controller of Imports & Exports (CCI&E).
8	Bond License bearing number: 1068/Cus-SBW/2009 dated 26.05.2009	Customs Bond Commissionerate, Dhaka South
9	Environment Clearance Certificate	Environment Odhidoptor Narayanganj District Office.
10	Factory License bearing number: 67-04-1-002-00002 dated 23.11.2008	Labour Inspection Management Application (LIMA).
11	Department of Textile (DOT Registration)/BOI Registration bearing number L-62050703131-H	Department of Textile
12	EPB Registration bearing number: BD05003	Export Promotion Bureau
13	BGMEA Membership Certificate bearing number 4697	Bangladesh Garment Manufacturers and Exporters Association (BGMEA)
14	Captive Power Plant (CPP) for Generator License bearing number CPP-0838	Bangladesh Energy Regulatory Commission
15	Boiler License	Office of the Deputy Chief Inspector of Boilers, Narayanganj.
16	Acid License	Deputy Commissioner (DC) of the respective district

SCHEDULE 1(C)

List of Licenses to be transferred to/restored in favour of AFL

S/L No.	Name of License/Registration/Certificate	Authority
1	RJSC Memorandum & Articles of Association & Certificate of Incorporation bearing number: C-37792(2092)/99 dated 23.05.1999	Registrar of Joint Stock Companies and Firms (RJSC), Commerce Ministry
2	Trade License	Dhaka City Corporation, Dhaka South
3	TIN Certificate bearing number 349862839046	Deputy Commissioner of Taxes
4	Fire License	DD Office Fire service & civil Defence
5	BIN Certificate bearing number: 005634686-0201	Customs, Excise and VAT Commissionerate, Dhaka (South).
6	IRC bearing number 260326120281420 dated 22.07.1999	Chief Controller of Imports & Exports (CCI&E).
7	ERC bearing number 260326210533420 dated 20.07.1999	Chief Controller of Imports & Exports (CCI&E).
8	Bond License bearing number 2487/CUS-SBW/99 dated 12.12.1999	Customs Bond Commissionerate, Dhaka South
9	BIDA Registration bearing number 9907016-DHA dated 14.07.1999	BIDA, Prime Minister Office
10	BGMEA Membership Certificate bearing number 2993	Bangladesh Garment Manufacturers and Exporters Association (BGMEA)

SCHEDULE 1(D)

List of Licenses to be transferred to/restored in favour of DNVCL

S/L No.	Name of License/Registration/Certificate	Authority
1	RJSC Memorandum & Articles of Association & Certificate of Incorporation bearing number: C-59640(1646)/05 dated 17.11.2005	Registrar of Joint Stock Companies and Firms (RJSC), Commerce Ministry
2	Trade License	Narayanganj City Corporation
3	TIN Certificate bearing number: 452396962014	Deputy Commissioner of Taxes
4	Fire License	DD Office Fire service & civil Defence
5	BIN Certificate bearing number: 000320225-0305	Customs, Excise and VAT Commissionerate, Dhaka (East).
6	Bond License bearing number 117/AEPZ/2006 dated 23.02.2006	Customs Bond Commissionerate, Dhaka South
7	Environment Clearance Certificate	Environment Odhidoptor Narayanganj District Office.
8	BEPZA Permission bearing Ref No. IP:PJT-Adamjee-06/4092 dated 21.11.2005	Bangladesh Export Processing Zones Authority (BEPZA)
9	EPB Registration bearing Enrollment Number BD04958	Export Promotion Bureau
10	BGMEA Membership Certificate bearing Reg. No. 4564	Bangladesh Garment Manufacturers and Exporters Association (BGMEA)
11	Captive Power Plant (CPP) for Generator License	Bangladesh Energy Regulatory Commission
12	Boiler License	Office of the Deputy Chief Inspector of Boilers, Narayanganj.
13	Acid License	Deputy Commissioner (DC) of the respective district

SCHEDULE 2(A)

A description of the post-demerger shareholding of ACWL

Shareholding of Ananta Casual Wear Ltd.

Name of the Shareholders	% holding	No. of shares held	Amount (BDT)
Mr. Sharif Zahir	0.0033%	1	100
Ananta Apparels Ltd.	99.9967%	29,999	29,99,900
Total	100%	30,000	3,000,000

SCHEDULE 2(B)

A description of the post-demerger shareholding of ADTL

Shareholding Position of Ananta Denim Technology Ltd.

Name of the Shareholders	% holding	No. of shares held	Amount (BDT)
Mr. Sharif Zahir	0.0033%	1	100
Ananta Apparels Ltd.	99.9967%	29,999	29,99,900
Total	100%	30,000	3,000,000

SCHEDULE 2(C)

A description of the post-demerger shareholding of AFL

Shareholding Position of Ananta Fashion Ltd.

Name of the Shareholders	% holding	No. of shares held	Amount (BDT)
Mr. Sharif Zahir	0.01%	12	1,200
Ananta Apparels Ltd.	99.99%	1,19,988	11,998,800
Total	100%	1,20,000	1,20,00,000

SCHEDULE 2(D)

Description of the post-demerger shareholding of DNVCL

Shareholding Position of DNV Clothing Ltd.

Name of the Shareholders	% holding	No. of shares held	Amount (BDT)
Ananta Apparels Ltd.	99.975%	9,99,750	9,99,75,000
Mr. Sharif Zahir	0.025%	250	25,000
Total	100%	10,00,000	10,00,00,000