

SCHEME OF ARRANGEMENT
AMONG

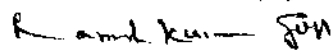
DIAMOND FOOTCARE UDYOG PRIVATE LIMITED
AND
B. P. CAPITAL LIMITED
AND
THEIR SHAREHOLDERS

FOR AMALGAMATION OF

DIAMOND FOOTCARE UDYOG PRIVATE LIMITED
(TRANSFEROR COMPANY)
WITH
B. P. CAPITAL LIMITED
(TRANSFeree COMPANY)

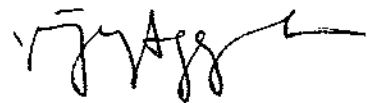
(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013)

For Diamond Footcare Udyog Pvt. Ltd.



Director

For B. P. CAPITAL LTD.

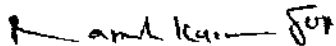


Director

Parts of the Scheme:

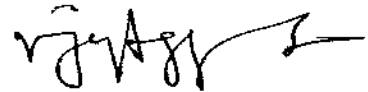
1. **Part I** – This part of Scheme contains general provisions applicable as used in this Scheme including Definitions and Capital Structure of the Companies along with Objects and Rationale of the Scheme.
2. **Part II** – This part of Scheme contains Transfer and Vesting of undertaking i.e. Diamond Footcare Udyog Private Limited (Transferor Company) to B.P. Capital Limited (Transferee Company) Pursuant to present scheme.
3. **Part III** - This part of Scheme contains Reorganization of Share Capital and the Accounting Methodology adopted for the Amalgamation.
4. **Part IV** - This part of Scheme contains miscellaneous provisions i.e. application/petition to Hon'ble National Company Law Tribunal (NCLT) of relevant jurisdiction and conditionality of Scheme.

For Diamond Footcare Udyog Pvt. Ltd.



Director

For B. P. CAPITAL LTD.



Director

**SCHEME OF ARRANGEMENT
UNDER SECTIONS 230 & 232 OF THE COMPANIES ACT, 2013**

BETWEEN

DIAMOND FOOTCARE UDYOG PRIVATE LIMITED

AND

B. P. CAPITAL LIMITED

AND

THEIR SHAREHOLDERS

[For Amalgamation of **DIAMOND FOOTCARE UDYOG PRIVATE LIMITED (TRANSFEROR COMPANY)** With **B. P. CAPITAL LIMITED (TRANSFEE COMPANY)** under Section 230 read with Section 232 of the Companies Act, 2013 and or any corresponding provisions of Companies Act, 2013 and applicable Rules of Companies (Compromises, Arrangements Amalgamations) Rules, 2016.]

PREAMBLE

A. BACKGROUND AND DESCRIPTION OF COMPANIES

1. **B.P. CAPITAL LIMITED** (herein after referred to as 'BPCL' or "Transferee Company"), bearing CIN L74899DL1994PLC057572 was originally incorporated on 24TH February, 1994 in accordance with the applicable provisions of the Companies Act, 1956. Further, the Company has received its commencement of business on 24th February, 1994 from the Registrar of Companies Delhi & Haryana. The Registered office of the Transferee Company is presently situated at 702, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi – 110001.

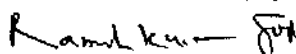
The Transferee Company is under process to change its registered office from 702, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi – 110001 to Plot No. 345, Sector-17, Footwear Park, HSIIDC, Bahadurgarh, Haryana-124507.

The shares of BPCL are listed at BSE Limited (BSE) and Calcutta Stock Exchange (CSE).

The Transferee Company was registered as Non-Banking Finance Company (NBFC) with Reserve Bank of India (RBI). Further, the management of the Transferee Company has surrendered the NBFC Registration certificate with RBI with effect from 6th October, 2016.

2. **DIAMOND FOOTCARE UDYOG PRIVATE LIMITED** (herein after referred to as 'DFUPL' or "Transferor Company"), bearing CIN U19100DL1978PTC009328 was originally incorporated on 21st November, 1978 as Diamond Toys Company Private Limited in accordance with the applicable provisions of the Companies Act, 1956. The name of Company was changed to its present name Diamond Footcare Udyog Private Limited and fresh certificate of incorporation

For Diamond Footcare Udyog Pvt. Ltd.



Director

For B. P. Capital Limited



Director

was issued by the Registrar of Companies on 14th October, 2009. The Registered office of the Transferor Company is presently situated at A - 9, Mayapuri Industrial Area, Phase-2, New Delhi – 110064.

The Transferor Company is under processes to change its registered office from A - 9, Mayapuri Industrial Area, Phase-2, New Delhi – 110064 to Plot No. 345, Sector-17, Footwear Park, HSIIDC, Bahadurgarh, Haryana-124507.

B. RATIONALE FOR THE SCHEME OF ARRANGEMENT

The Transferee Company is a widely held listed company. The Transferee Company was registered as NBFC Company with RBI but was not carrying any major activity for long hence the shareholders of the Company were not getting any substantial return on their investment.

The Transferor Company, Diamond Footcare Udyog Private Limited, is a leading footwear manufacturer in India. It has a massive manufacturing facility at Footwear Park, Bahadurgarh, Haryana.

The management of both the companies decided to consolidate the companies to take advantage of listing and liquidity for the footwear business, which has potential to grow much faster. With this objective, the management of DFUPL acquired the management and control of BPCL by giving an open offer in terms of SEBI (SAST) Regulations, 2011 and also decided to surrender the NBFC Licensee of BPCL in order to commence the footwear business in BPCL. RBI vide its order dated 6th October, 2016 cancelled the NBFC License of BPCL and hence, now the management of the companies have decided to implement the plan of merger of the companies and transfer the Footwear business of DFUPL to BPCL as a going concern along with its brand and goodwill. The merger of the companies would substantially strengthen the balance sheet of the Transferee Company and shall create a larger and financially stronger entity, which will have better resources for business growth and expansion.

The Board of directors of the Transferee Company is of the opinion that the consolidation of Transferor Company's business (along with all the assets and liabilities) with the Transferee Company, would at one hand strengthen the financials of the listed entity which will ultimately benefit all its stakeholders and on the other hand help the footwear business of Transferor Company, in terms of liquidity, raising funds for expansion, exposure due to the listed status.

The other benefits likely to arise through the proposed amalgamation are as follows:

For Diamond Footcare Udyog Pvt. Ltd.

Ram Kaur - JWA

For B. P. CAPITAL LTD.

Vijay

Director

- I. Financial strength and flexibility for the Transferee Company, which would result in maximizing overall shareholder value, and will improve the competitive position of the combined entity.
 - II. Achieve greater efficiencies in operations with optimum utilization of resources, better administration and reduced cost.
 - III. Improved organizational capability and leadership arising from pooling of financial, managerial and technical resources.
 - IV. Better management and focus on growing the businesses.
 - V. The amalgamation would result in reduction of overheads, administrative, managerial and other expenditure and bring about operational rationalization, efficiency and optimum utilization of various resources.
 - VI. A larger growing company will mean enhanced financial and growth prospects for the people and organization connected therewith, and will be in public interest. The amalgamation will be conducive for better and more efficient and economical control over the business and financial conduct of the Companies.
- C. Due to the aforesaid reasons, it is considered desirable and expedient to amalgamate Transferor Company with Transferee Company in accordance with this Scheme, pursuant to Section 230 read with section 232 and other relevant provisions of the Companies Act, 2013 and applicable Rules of Companies (Compromises, Arrangements Amalgamations) Rules, 2016.
- D. The Board of Directors, therefore, considered desirable and expedient to amalgamate Transferor Company with Transferee Company and in consideration thereof issue Equity Shares and Compulsorily Convertible Preference Shares (CCPS) to the shareholders of Transferor Company (other than the shares already held therein immediately before the amalgamation by Transferee Company) in accordance with this Scheme, pursuant to Section 232 and other relevant provisions of the Companies Act, 2013.
- E. The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, under Section 232 and other relevant provisions of the Companies Act, 2013, shall take place with effect from the Appointed Date and shall be in compliance with Section 2(1B) of the Income Tax Act, 1961.

For Diamond Polishing Udyog Pvt. Ltd.

Ramkrishna Jha

Director

For B. P. CAPITAL LTD.

Vijay Singh

Director

**PART-I
GENERAL PROVISIONS**

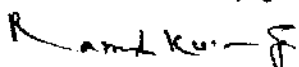
1. Definitions:

In this Scheme, unless repugnant to the subject or context or meaning thereof, the following expressions shall have the same meanings as set out herein below:

- 1.1. **"Act"**: means the Companies Act, 2013, and will include any statutory modifications, re-enactments or amendments thereof.
- 1.2. **"Appointed Date"**: means 1st April, 2016 being the date with effect from which the Scheme shall be applicable or such other date as may be approved by the Hon'ble National Company Law Tribunal.
- 1.3. **"Board" or "Board of Directors"**: shall have the same meaning as under the Act.
- 1.4. **'CCPS'**: means Compulsorily Convertible Preference Shares.
- 1.5. **"Effective Date"**: means the date on which certified copy of the order of the Hon'ble National Company Law Tribunal (NCLT) under Sections 230 and 232 of the Companies Act, 2013 sanctioning the Scheme is filed with the Registrar of Companies after obtaining the sanctions, orders or approvals referred to in Clause 2 of PART-IV of this Scheme.

References in this Scheme to the date of "Upon the Scheme becoming effective" or "effectiveness of this Scheme" shall mean the Effective Date.
- 1.6. **'Listing Regulations'**: means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 1.7. **"NCLT" or "National Company Law Tribunal"**: means the National Company Law Tribunal, Principal Bench New Delhi / National Company Law Tribunal, Principal Bench New Delhi, or any other appropriate forum or authority empowered to approve the Scheme as per the law for the time being in force.
- 1.8. **"Registrar of Companies" or "RoC"**: means the Registrar of Companies, NCT of Delhi & Haryana.
- 1.9. **"Rules"** : means the Companies (Compromises, Arrangements Amalgamations) Rules, 2016.
- 1.10. **'Record Date'**: means such date following the Effective Date as may be fixed by the Board of Directors of the Transferee Company to whom shares of the Transferee Company will be allotted pursuant to this Scheme.

For Diamond Footcare Udyog Pvt. Ltd.



Director

For B. P. CAPITAL LTD.



Director

1.11. "Scheme": means this Scheme of Amalgamation between "BPCL" and "DFUPL" and their respective Shareholders as approved by the Board of Directors of the respective Companies, in its present form and with any modifications as may be approved by the Hon'ble National Company Law Tribunal (NCLT).

1.12. "Transferor Company" means "DFUPL".

1.13. "Transferee Company" means "BPCL".

2. DATE OF EFFECT AND OPERATIVE DATE:

The Scheme setout herein in its present form or with any modification(s), if any made as per Clause 3 of PART-IV of this Scheme shall be effective from the Appointed Date but shall come into force from the Effective Date.

3. CAPITAL STRUCTURE:

The Capital Structure of BPCL and DFUPL as on Appointed Date and immediately before implementation of the Scheme are as under:

3.1. B.P. CAPITAL LIMITED

Particulars	Amount (Rs.)
Authorized Share Capital	
1,50,00,000 Equity Shares of Rs.10/- each	150,000,000.00
Issued, Subscribed and Paid-Up Share Capital	
30,11,800 Equity Shares of Rs.10/- each	3,01,18,000.00
TOTAL	3,01,18,000.00

There is no change in the Capital Structure of the Transferee Company since the Appointed Date.

3.2. DIAMOND FOOTCARE UDYOG PRIVATE LIMITED

Particulars	Amount (Rs.)
Authorized Share Capital	
3,850,000 Equity Shares of Rs.100/- each	385,000,000.00
Issued, Subscribed and Paid-Up Share Capital	
3,043,134 Equity Shares of Rs.100/- each	30,43,13,400.00
TOTAL	30,43,13,400.00

There is no change in the Capital Structure of the Transferor Company since the Appointed Date.

For Diamond Footcare Udyog Pvt. Ltd.

R. and K. S. J. S.

Director

For B. P. CAPITAL LTD.



Director

PART-II

TRANSFER & VESTING OF UNDERTAKING

1. With effect from the Appointed Date and upon the Scheme becoming effective, the entire business and the whole of the undertaking(s), properties and liabilities of Transferor Company shall, in terms of Section 230 and 232 and applicable provisions, if any, of the Companies Act, 2013 and pursuant to the orders of the NCLT or other appropriate authority or forum, if any, sanctioning the Scheme, without any further act, instrument, deed, matter or thing, stand transferred and vested in and/ or deemed to be transferred to and vested in Transferee Company as a going concern so as to become the undertaking(s), properties and liabilities of Transferee Company.
2. With effect from the Appointed Date and upon the Scheme becoming effective, the entire business and undertaking of Transferor Company shall stand transferred to and be vested in Transferee Company without any further deed or act, together with all the properties, assets, rights, benefits and in the following manner:
 - 2.1. With effect from the Appointed Date and upon the Scheme becoming effective all memberships, franchises, rights, privileges, permits, quotas, entitlements, allotments, approvals, consents, concessions, certifications, licenses, software, powers, trademarks, including, application for registration of trade mark, patents, copyrights, and its right to use available to Transferor Company, facilities of every kind and description of whatsoever nature in relation to Transferor Company to which Transferor Company is the party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect as on Appointed Date or any which may be taken after the Appointed Date but till the Effective Date, shall get transferred to Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.
 - 2.2. With effect from the Appointed Date and upon the Scheme becoming effective all Certificate of Registrations for different products and services, including quality of products & services as available with Transferor Company as on Appointed Date or any which may be taken by Transferor Company after the Appointed Date but till the Effective Date shall get transferred to Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.
 - 2.3. With effect from the Appointed Date and upon the Scheme becoming effective all the assets of Transferor Company as are movable in nature including, but not limited to, stock of goods, raw materials available in the market/ depots/ Godown / factories, sundry debtors, plants

For Diamond Footcare Udyog Pvt. Ltd.

Ram Kumar Joshi

Director

For D. F. CAPITAL LTD.,

Vijay Kumar

Director

and equipment, outstanding loans and advances, insurance claims, advance tax, Minimum Alternate Tax (MAT) set-off rights, pre-paid taxes, levies/liabilities, CENVAT/VAT credits if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other persons or any other assets otherwise capable of transfer by physical delivery would get transferred by physical delivery only and all others assets would get transferred by endorsement and delivery by vesting and recordable pursuant to this Scheme, shall stand vested in Transferee Company, and shall become the property and an integral part of Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.

2.4. With effect from the Appointed Date and upon the Scheme becoming effective all incorporeal properties of Transferor Company as on Appointed Date or any which may be taken after the Appointed Date but till the Effective Date, shall get transferred to Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.

2.5. With effect from the Appointed Date and upon the Scheme becoming effective, all immovable property including but not limited to land and buildings with plants and equipments or any other immovable property of Transferor Company, whether freehold or leasehold, and any documents of title, rights and easements in relation thereto, or any which may be taken after the Appointed Date but till the Effective Date, shall stand transferred to and be vested in Transferee Company, without any further instrument, deed or act or payment of any further fee, charge or securities either by the Transferor Companies or Transferee Company.

2.6. With effect from the Appointed Date and upon the Scheme becoming effective, Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay ground rent, taxes and fulfill obligations, in relation to or applicable to such immovable properties. The mutation/substitution of the title to the immovable properties shall be made and duly recorded in the name of Transferee Company by the appropriate authorities pursuant to the sanction of the Scheme by the Hon'ble National Company Law Tribunal and the Scheme becoming effective in accordance with the terms hereof.

2.7. With effect from the Appointed Date and upon the Scheme becoming effective or any date which may be entered after the Appointed Date but till the Effective Date, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever

For Diamond Footcare Udyog Pvt. Ltd.

Ram Kumar For

Director

For B. P. CAPITAL LTD.



Director

nature in relation to Transferor Company to which the Transferor Company is the party or to the benefit of which Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favor of Transferee Company and may be enforced as fully and effectually as if, instead of Transferor Company, Transferee Company had been a party or beneficiary or obligee thereto.

- 2.8. With effect from the Appointed Date and upon the Scheme becoming effective or any date which may be taken after the Appointed Date but till the Effective Date, any statutory licenses, no-objection certificates, permissions or approvals or consents required to carry on operations of Transferor Company or granted to Transferor Company shall stand vested in or transferred to Transferee Company without further act or deed, and shall be appropriately transferred or assigned by the statutory authorities concerned therewith in favor of Transferee Company upon the vesting of Transferor Company Business and Undertakings pursuant to this Scheme.
- 2.9. With effect from the Appointed Date and upon the Scheme becoming effective or any date which may be taken after the Appointed Date but till the Effective Date, all motor vehicles of any description whatsoever, shall stand transferred to and be vested in, and the appropriate Governmental and Registration Authorities shall substitute the name of Transferee Company in place of Transferor Company, without any further instrument, deed or act or any further payment of fee, charge or securities.
- 2.10. With effect from the Appointed Date and upon the Scheme becoming effective or any date which may be incurred after the Appointed Date but till the Effective Date, all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of accounts or disclosed in the balance sheets of Transferor Company, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of Transferee Company.
- 2.11. Without prejudice to the generality of the provisions contained herein, all loans taken after the Appointed Date but before the Effective Date and liabilities incurred by Transferor Company after the Appointed Date but before the Effective Date for its operations shall be deemed to be of Transferee Company.
- 2.12. The transfer and vesting of the entire business and undertaking of Transferor Company as aforesaid, shall be subject to the existing securities, charges and mortgages, if any,

For Diamond Foccare Udyog Pvt. Ltd.
Rambhadr Joshi

Director

For B. P. CAPITAL LTD.



Director

subsisting, over or in respect of the property and assets or any part thereof of Transferor Company, as the case may be.

Provided that the securities, charges and mortgages (if any subsisting) over and in respect of the part thereof, of Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of Transferor Companies vested in Transferee Company pursuant to the Scheme.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by Transferor Company which shall vest in Transferee Company by virtue of the amalgamation of Transferor Company with Transferee Company and Transferee Company shall not be obliged to create any further or additional security there for after the amalgamation has become operative.

2.13. Transferee Company will, 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, execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangements in relation to Transferor Company to which Transferor Company are parties, in order to give formal effect to the above provisions. Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of Transferor Company and to carry out or perform all such formalities or compliances referred to above on part of Transferor Company.

2.14. With effect from the Appointed Date, Transferee Company shall bear the burden and the benefits of any legal or other proceedings initiated by or against Transferor Company. Provided however, all legal, administrative and other proceedings of whatsoever nature by or against Transferor Company pending in any court or before any authority, judicial, quasi judicial or administrative, any adjudicating authority and/or arising after the Appointed Date and relating to Transferor Company or its respective properties, assets, liabilities, duties and obligations shall be continued and/or enforced until the Effective Date by or against Transferor Company; and from the Effective Date, shall be continued and enforced by or against Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against Transferor Companies.

For Diamond Footwear Udyog Pvt. Ltd.

Ram Kishore For

Director

For B. P. CAPITAL LTD.

Vijay Singh

Director

- 2.15. If any suit, appeal or other proceedings of whatever nature by or against Transferor Company be pending, the same shall not abate, be discontinued or be in any way be prejudicially affected by reason of the transfer of the Transferor Company's business and undertakings or of anything contained in this scheme but the proceedings may be continued, prosecuted and enforced by or against Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against Transferor Company as if this Scheme had not been made.
- 2.16. On occurrence of the Effective Date, all persons that were employed by Transferor Company immediately before such date shall become employees of Transferee Company with the benefit of continuity of service on same terms and conditions as were applicable to such employees of Transferor Company immediately prior to such transfer and without any break or interruption of service. Transferee Company undertakes to continue to abide by agreement/settlement, if any, entered into by Transferor Company with any union/employee thereof. With regard to Provident Fund, Gratuity Fund, Superannuation fund or any other special fund or obligation created or existing for the benefit of such employees of Transferor Company upon occurrence of the Effective Date, Transferee Company shall stand substituted for Transferor Company, for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. The existing Provident Fund, Gratuity Fund and Superannuation Fund or obligations, if any, created by Transferor Company for its employees shall be continued for the benefit of such employees on the same terms and conditions. With effect from the Effective Date, Transferee Company will make the necessary contributions for such transferred employees of Transferor Company and deposit the same in Provident Fund, Gratuity Fund or Superannuation Fund or obligations, where applicable. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of Transferor Company in relation to such schemes or funds shall become those of Transferee Company.
- 2.17. Loans or other obligations, if any, due between Transferee Company and Transferor Company shall stand discharged and there shall be no liability in that behalf. In so far as any securities, debentures or notes issued by Transferor Company and held by Transferee Company and vice versa are concerned, the same shall, unless sold or transferred by holder of such securities, at any time prior to the Effective Date, stand cancelled and shall have no further effect.

For Diamond Footcare Udyog Pvt. Ltd.

Ramkishore Joshi

Director

For B. P. CAPITAL LTD.



Director

- 2.18. With effect from the Appointed Date, all the profits or income accruing or arising to Transferor Company, and all expenditure or losses arising or incurred by Transferor Company shall, for all purposes, be treated (including all taxes, if any, paid or accruing in respect of any profits and income) and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of Transferee Company. Moreover, Transferee Company shall be entitled to revise its statutory returns relating to indirect taxes like sales tax/ service tax/excise, etc. and to claim refund/credits and/or set off all amounts under the relevant laws towards the transactions entered into by Transferee Company and Transferor Company which may occur between the Appointed Date and the Effective Date. The rights to make such revisions in the sales tax returns and to claim refunds/credits are expressly reserved in favor of Transferee Company.
- 2.19. Transferee Company shall be entitled to revise its all Statutory returns relating to Direct and indirect taxes like Income Tax, Wealth Tax, VAT, Excise, Service Tax, etc. and to claim refunds/advance tax credits and/or set off the tax liabilities of Transferee Company and Transferor Company under the relevant laws and its rights to make such revisions in the statutory returns and to claim refunds, advance tax credits and/or set off the tax liabilities is expressly granted.
- 2.20. It is expressly clarified that upon the coming into effect of the Scheme, with effect from the Appointed Date, all taxes whether direct or indirect, payable by Transferor Company including all or any refunds of the claims/TDS Certificates shall be treated as the tax liability or refunds/claims/TDS Certificates as the case may be of Transferee Company.
- 2.21. From the Effective Date and till such time as the name of the Transferee Company would get entered as the account holder in respect of all the bank accounts and demat accounts of Transferor Company in the relevant bank's/DP's books and records, the Transferee Company shall be entitled to operate the bank/demat accounts of Transferor Company in its existing names.
- 2.22. Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions and other authorizations of Transferor Company shall stand transferred by the order of the NCLT to Transferee Company, Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning NCLT.

3. **Conduct of Business**

For Diamond Footcare Udyog Pvt. Ltd.



Director

For B. P. CAPITAL LTD.



Director

3.1. With effect from the Appointed Date and till the Scheme coming into effect:

3.1.1. Transferor Company shall be deemed to carry on all its businesses and activities and stand possessed of its properties and assets for and on account of and in trust for Transferee Company; and all the profits accruing to Transferor Company and all taxes thereon or gains or losses arising or incurred by them shall, for all purposes, be treated as and deemed to be the profits or losses, as the case may be, of Transferee Company;

3.1.2. Transferor Company shall carry on its business with reasonable diligence and in the same manner as they had been doing hitherto, and Transferor Company shall not alter or substantially expand its business except with the concurrence of Transferee Company;

3.1.3. Transferor Company shall not, without the written concurrence of Transferee Company, alienate charge or encumber any of its properties except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of Transferee Company, as the case may be.

3.1.4. Transferor Company shall not vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of Transferee Company the terms and conditions of employment of any of its employees, nor shall it conclude settlement with any union or its employees except with the written concurrence of Transferee Company.

3.1.5. With effect from the Appointed Date, all debts, liabilities, duties and obligations of Transferor Company as on the close of business on the date preceding the Appointed Date, whether or not provided in its books and all liabilities which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of Transferee Company.

3.2. Upon the Scheme coming into effect, Transferee Company shall commence and carry on and shall be authorized to carry on the business carried on by Transferor Company.

For Diamond Footcare Udyog Pvt. Ltd.

Ram Kumar for

Director

For B. P. CAPITAL LTD.

Vijay Singh for

Director

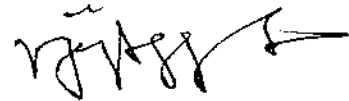
3.3. For the purpose of giving effect to the vesting order passed under Sections 230 and 232 of the Companies Act, 2013 in respect of this Scheme by Hon'ble NCLT, Transferee Company shall, at any time pursuant to the orders on this Scheme, be entitled to get recorded the change in the legal right(s) upon the vesting of the Transferor Company business and undertakings in accordance with the provisions of Sections 230 and 232 of the Companies Act, 2013. Transferee Company shall be authorized to execute any pleadings; applications, forms, etc. as are required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

For Diamond Footcare Udyog Pvt. Ltd.

Ram K. S. J

Director

Dr B. P. CAPITAL LTD.



Director

PART-III
REORGANIZATION OF CAPITAL

1. REORGANISATION OF CAPITAL IN THE TRANSFEREE COMPANY

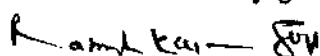
1.1. Upon this Scheme coming into effect and upon transfer and vesting of the business and undertaking of Transferor Company in Transferee Company, the consideration in respect of such transfer shall, subject to the provisions of the Scheme, be paid and satisfied by Transferee Company as follows:

1.1.1. Transferee Company, without further application, act or deed, shall issue and allot to each of the shareholders of Transferor Company (other than the shares already held therein immediately before the amalgamation by Transferee Company, its Nominee or Subsidiary Company), shares in proportion of **241 (Two Hundred Forty One) Equity shares of face value of Re. 10 (Rupees Ten) each and 5002 (Five Thousand Two) Compulsory Convertible Preference Shares of Re. 10 (Rupee Ten) each in Transferee Company for every 100 (One Hundred) Equity shares of face value of Rs.100/- (Rupees Hundred) each held by them in Transferor Company pursuant to Scheme.**

1.1.2. The CCPS issued and allotted under this Scheme, would have priority with respect to dividends and proceeds from sale or dissolution from the Transferee Company and would be also eligible for proportionate declaration and distribution of dividend together with equity shares and shall be compulsorily convertible in the ratio of 1:1 at any time within a maximum period of five years, into the equity shares of face value of Re. 10 each. CCPS allotted under the Scheme, shall be converted into equity shares, in one or more tranches, within a maximum period of five years subject to condition that the conversion of CCPS does not breach the requirement of maintaining minimum public shareholding as per Regulation 38 of Listing Regulations. Any CCPS, remaining outstanding for conversion upon completion of five years of allotment, shall be cancelled subject to the compliance of all the applicable laws at that time.

1.1.3. For arriving at the share exchange ratio as outlined above, the Companies have considered the Valuation Report submitted by an independent professional firm, **M/s Sanjeev Jagdish Chand & Associates, Chartered Accountants.**

For Diamond Footwear Udyog Pvt. Ltd.



Director

For B. P. CAPITAL LTD.



Director

- 1.1.4. Cross holding at the time of record date (if any), between Transferor Company and the Transferee Company, if not transferred prior to the Effective Date, shall get cancelled at the time of allotment of shares to the shareholders of Transferor Company by Transferee Company and the approval of Scheme by the NCLT under section 230 and 232 of the Companies Act, 2013 shall also be treated as approval under section 66 of the Companies Act, 2013 for reduction of capital pursuant to such cancellations.
- 1.1.5. Any fraction arising out of allotment of equity shares and CCPS as per clause 1.1.1 and 1.1.2 above shall be rounded off to the nearest whole number.
- 1.1.6. The said Equity Shares in the capital of Transferee Company be issued to the shareholders of Transferor Company shall rank *pari passu* in all respects, with the existing Equity shares in Transferee Company from the Appointed Date. Such shares in Transferee Company, to be issued to the shareholders of Transferor Company will, for all purposes, save as expressly provided otherwise, be deemed to have been held by each such member from the Appointed Date.
- 1.1.7. Upon the Scheme becoming effective and subject to the above provisions, the shareholders of Transferor Company (other than the shares already held therein immediately before the amalgamation by Transferee Company) as on the record date shall receive new share certificates. Upon the issue and allotment of new shares in the capital of Transferee Company to the shareholders of Transferor Company, the share certificates in relation to the shares held by them in Transferor Company shall be deemed to have been cancelled. All certificates for the new shares in the capital of Transferee Company shall be sent by Transferee Company to the said shareholders of Transferor Company at their respective registered addresses as appearing in the said registers (or in the case of joint holders to the address of that one of the joint holders whose name stands first in such Registers in respect of such joint holding) and Transferee Company shall not be responsible for any loss in transmission. Transferee Company shall provide an option to all the shareholders of Transferor Company to get the new equity shares in Transferee Company in dematerialized form and the shareholders of Transferor Company shall have right to opt for new shares in dematerialized form by giving written confirmation with required particulars of their de-mat accounts on or before the Record Date.

For Diamond Footcare Udyog Pvt. Ltd.
Ram Lal Joshi

Director

For B. P. CAPITAL LTD.



Director

1.1.8. Upon coming into effect of this Scheme, the shares or the share certificates of the Transferor Company in relation to the shares held by its member shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled and be of no effect on and from the Effective Date without any necessity of them being surrendered.

1.2. INCREASE IN AUTHORIZED SHARE CAPITAL

1.2.1. With effect from the Effective Date and upon the scheme becoming effective, without any further acts or deeds on the part of the Transferor Company or Transferee Company and notwithstanding anything contained in Sections 61 of the Companies Act, 2013 the Authorized Share capital of Transferor Company as appearing in its Memorandum of Association on the Effective Date shall get clubbed with the Authorized Share Capital of the Transferee Company as appearing in its Memorandum of Association on the Effective Date and pursuant to this clubbing the Clause V of the Memorandum of Association of the Transferee Company shall stand altered to give effect to the same with effect from the Effective Date. The Face Value of Equity share shall remain same as of the Transferee Company after clubbing of Authorized Capital.

1.2.2. The filing fee and stamp duty already paid by the Transferor Company on its authorized share capital, which is being combined with the authorized share capital of the Transferee Company, shall be deemed to have been paid by the Transferee Company and accordingly, the Transferee Company shall not be required to pay any fee, additional fee, charges and/or stamp duty on the authorized share capital so increased.

1.2.3. If required, the Transferee Company shall take necessary steps to increase its authorized share capital on or before the Effective Date so as to make it sufficient for allotment of shares and CCPS, to the shareholders of Transferor Company, in consideration of amalgamation after considering the combined authorized share capital of Transferee Company.

1.3. On approval of the Scheme by the members of Transferee Company pursuant to Section 230 - 232 of the Companies Act, 2013 and applicable Rules of Companies (Compromises, Arrangements Amalgamations) Rules, 2016 it shall be deemed that the said members have also accorded their consent under relevant Articles of the Articles of Association of the Company and Section 61 in relation to the alteration of the share capital and other provisions of the

For Diamond Skincare Ujyog Pvt. Ltd.

Ram Kumar Jori

Director

For M/s. Diamond Skincare Ujyog Pvt. Ltd.



Director

Companies Act, 2013 as may be applicable for giving effect to the provisions contained in this Scheme.

1.4. The issue and allotment of Shares to Shareholders of Transferor Company, as provided in this Scheme, shall be deemed to be made in compliance with the procedure laid down under section 62 and any other applicable provisions of the Companies Act, 2013.

1.5. CHANGE IN NAME OF TRANSFEREE COMPANY

1.5.1 As per the arrangement the Transferee Company shall carry the business of Transferor Company and hence it is found expedient to replace the name of Transferor Company with the name of the Transferee Company. Hence, with effect from Effective Date, without any further acts or deeds on the part of the Transferee Company, name of Transferee Company shall be changed from "B.P. Capital Limited" with the name of the Transferor Company "Diamond Footcare Udyog Limited".

1.5.2 On approval of the Scheme under section 230 - 232 of the Companies Act, 2013 it shall be deemed that necessary compliances under section 13 of the Companies Act, 2013 for change of name and alteration in Memorandum of Association of Transferee Company have been complied with.

2. ACCOUNTING TREATMENT FOR AMALGAMATION

Upon the coming into effect of this Scheme, the amalgamation of the Transferor Company with the Transferee Company shall be accounted for as per the Purchase Method as prescribed in the "Accounting Standard 14: Accounting for Amalgamations" as prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Ministry of Corporate Affairs, as may be amended from time to time such that:

2.1. As on the Appointed Date, the market value of tangible assets comprising Land, Plant & Machinery is higher than the book value of the Transferor Company. The value of all other assets and liabilities, of the Transferor Company are almost similar to their present book value. Hence, it has been decided that, Transferee Company shall record the tangible assets of the Transferor Company comprising Land, Plant & Machinery, at its their fair Market Value as on Appointed Date. All the assets (other than tangible assets) and liabilities vested in it pursuant to this Scheme shall be recorded at their respective book values as appearing in the books of Transferor Company on the Appointed Date.

2.2. Investment, if any, in the equity share capital of the Transferor Company as appearing in the books of accounts of Transferee Company or vice versa, if not transferred prior to the Effective Date, shall stand cancelled and there shall be no further obligation / outstanding in that behalf.

For Diamond Footcare Udyog Pvt. Ltd.

Kamrunnisa

Director

For B. P. CAPITAL LTD.




Director

- 2.3. The loans and advance or payables or receivables of any kind, held inter-se, if any between Transferor Company and Transferee Company, as appearing in their respective books of accounts shall stand discharged prior to effective date.
- 2.4. Any excess of the amount of the consideration (book value of equity shares being issued by Transferee Company to the shareholders of Transferor Company) over the value of the net assets of the Transferor Company acquired by the Transferee Company shall be recognized in the Transferee Company's financial statements as goodwill arising on amalgamation. If the amount of the consideration is lower than the value of net assets acquired, the difference would be considered as capital reserves of the Transferee Company. The difference arising on the cancellation of the cross holding (if any) shall be adjusted in the general reserves of the Transferee Company.
- 2.5. The accounting entries proposed in this Scheme shall be effected as a part of this Scheme and not under a separate process in terms of Section 52, Section 66 of the Companies Act, 2013 as the same neither involves diminution of liability in respect of unpaid share capital of Transferee Company nor any payment to any shareholder of the Transferee Company of any paid-up capital and the order of National Company Law Tribunal sanctioning the Scheme shall be deemed to be a due compliance of the provisions of Sections 66 of the Companies Act, 2013. Consequently, the Transferee Company shall not be required to use the words "and reduced" as part of its corporate name.

3. LISTING REGULATIONS AND SEBI COMPLIANCES

- 3.1 Since the Transferee Company being a listed company, this Scheme is subject to the Compliances by the Transferee Company of all the requirements under the listing regulations and all statutory directives of the Securities Exchange Board of India ('SEBI') insofar as they relate to sanction and implementation of the Scheme.
- 3.2 The Transferee Company in compliance with the listing Regulations shall apply for the 'Observation Letter' of BSE Limited, where its shares are listed in terms of the Regulation 37 of the listing regulations.
- 3.3 The Transferee Company shall also comply with the directives of SEBI contained in the Circular No. CIR/CFD/CMD/16/2015 dated 30th November 2015;
- 3.4 As Para 9 of SEBI Circular No CIR/CFD/CMD/16/2015 dated 30th November 2015 is applicable to this Scheme, therefore it is provided in the Scheme that the Transferee Company will provide voting by the public shareholders through postal ballot and e-voting

For Diamond Footcare Udyog Pvt. Ltd.



Director

For B. P. CAPITAL LTD.



Director

and will disclose all material facts in the explanatory statement, to be sent to the shareholders in relation to the said Resolution.

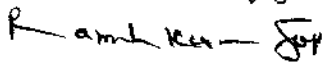
4. Saving of Concluded Transactions

The transfer of properties and liabilities and the continuance of proceedings by or against Transferor Company as envisaged in above shall not affect any transaction or proceedings already concluded by Transferee Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that Transferor Company accept and adopts all acts, deeds and things done and executed by Transferee Company in respect thereto as done and executed by Transferee Company in respect thereto as done and executed on behalf of itself.

5. Dissolution of Transferor Company

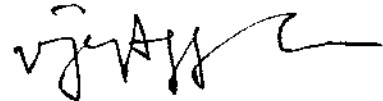
On occurrence of the Effective Date, Transferor Company shall, without any further act or deed, shall stand dissolved without winding up.

For Diamond Footcare Udyog Pvt. Ltd.



Director

For B. P. CAPITAL LTD



Director

PART - IV

OTHER PROVISIONS

1. Application/Petition to NCLT:

- 1.1. Transferor Company and Transferee Company shall, with all reasonable dispatch, make application/petition to the Hon'ble NCLT, under Section 230 and other applicable provisions of the Companies Act, 2013 seeking orders for dispensing with or convening, holding and conducting of the meetings of the classes of its respective members and/or creditors and for sanctioning the Scheme with such modifications as may be approved by the Hon'ble NCLT.
- 1.2. On the Scheme being agreed to by the requisite majorities of all the classes of the members and/or creditors of Transferor Company and Transferee Company shall, with all reasonable dispatch, apply to the Hon'ble NCLT, for sanctioning the Scheme under Sections 230, 232 and other applicable provisions of the Companies Act, 2013, and for such other orders, as the said NCLT may deem fit for carrying this Scheme into effect and for dissolution of Transferor Company without winding-up.

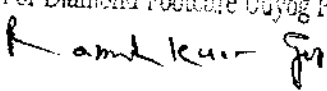
2. Conditionality of Scheme:

The Scheme is conditional upon and subject to:

- 2.1. The Scheme being agreed to by the respective requisite majority of members and creditors of each of Transferor Company and Transferee Company;
- 2.2. The Scheme being approved by the Hon'ble NCLT;
- 2.3. All certified copies of the order(s) of the National Company Law Tribunal sanctioning this Scheme being filed with the Registrar of Companies of relevant jurisdiction.
- 2.4. This Scheme although to come into operation from the Appointed Date shall not become effective until the necessary certified copies of the order(s) under Sections 230 to 232 of the Companies Act, 2013 and applicable Rules of Companies (Compromises, Arrangements Amalgamations) Rules, 2016 is filed with the Registrar of Companies of relevant jurisdiction.

3. Modification or Amendment

- 3.1. Transferee Company (acting through its Board of Directors) and Transferor Company (acting through its respective Board of Directors) may assent to any modifications or amendments to this Scheme which the NCLT and/or other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for any question or doubt or difficulty that may arise for implementing and/or carrying out the

For Diamond Footwear Group Pvt. Ltd.


Director

For B. P. CAPITAL LTD.



Director

scheme or which is generally in the benefit or interest of the shareholders and/or creditors. Transferee Company (acting through its Board of Directors) and Transferor Company (each acting through its respective Board of Directors) and after the dissolution of Transferor Company; Transferee Company (by its Board of directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubt, difficulties or questions whether by reason of any order(s) of the NCLT or of any directive or order(s) of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

- 3.2. Transferor Company and Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Hon'ble NCLT or any other authority is not on terms acceptable to them.
- 3.3. In the event of this Scheme failing to take effect finally 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 the parties or its shareholders or creditors or employees or any other person. In such case each Company shall bear its own costs or as may be mutually agreed.

4. General Terms and Conditions

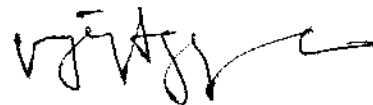
All costs, charges, fees, taxes including duties (including the stamp duty, if any, applicable in relation to this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing the terms and conditions or provisions of this Scheme and matters incidental thereto shall be borne and paid by Transferee Company. All such costs, charges, fees, taxes, stamp duty including duties (excluding the stamp duty, if any, paid on this scheme which shall be pro rata added to the value of the immovable properties), levies and all other expenses, shall be debited to the Profit and Loss Account of Transferee Company.

For Diamond Footcare Group Pvt. Ltd.



Director

For B. P. CAPITAL LTD.



Director