BLUE BLENDS (INDIA) LIMITED

(CIN:L17120MH1981PLC023900)
Registered Office: 2nd Floor, JBF House, Old Post Office Lane, Kalbadevi Road, Mumbai-400002
Phone: 022-22085951 Fax: 022-22080470
Website: www.blueblends.com Email Id: blueblends.ho@gmail.com

Postal Ballot Notice pursuant to Section 110 of the Companies Act, 2013

Dear Shareholder(s),

NOTICE is hereby given pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management & Administration) Rules, 2014 (including any statutory modifications or re-enactments thereof ("the Act") relevant provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (**LODR, 2015**) and other applicable provisions, if any, that the resolutionsgiven below are proposed to be passed by Postal Ballot:

1. To give loans/Guarantees, providing of Securities and making Investment in Securities for an amount not exceeding 125 crores;
2. To create, offer and issue upto 50 Secured Optionally Convertible Redeemable Debentures ("OCD") not exceeding Rs. 5,00,00,000/- on preferential basis.
3. To create, offer and issue upto 430 Secured Non-Convertible Debentures ("NCD") not exceeding Rs. 43,00,00,000/- on preferential basis.
4. Creation of Security as per item No. 4 to secure the issue of NCD's and OCD's.

The Company is, therefore, seeking your consent for the said proposals by Special Resolutions in compliance with the provisions of the Companies Act, 2013 read with rules made there under and other applicable provisions, if any, of the Act or any other statutory enactments.

Explanatory Statement pursuant to applicable provisions of the Act pertaining to the said resolutions setting out the material facts and reasons thereof is annexed to the Notice. Said Resolutions and Explanatory Statement thereto along with the Postal Ballot Form is being sent herewith for your consideration.

The Postal Ballot form is enclosed for your consideration seeking the Members assent or dissent in writing or through e-voting within a period of thirty (30) days from the date of dispatch of the Notice.

The attached Postal Ballot Form is to be used by Members for the purpose of exercising their respective votes in respect of the said draft special resolutions.

In the event the resolutions as set out below are assented to by requisite majority of Members through this Postal Ballot, the same shall be deemed to have been passed as special resolutions at the general meeting of the Company. The date of announcement of the result shall be considered to be the date of the general meeting, and the date of passing of the said resolutions.

The Company have appointed Mr. Sunil Bohra, Partner of P C Surana & Co., Practising Chartered Accountant as Scrutinizer (**'the Scrutinizer'**) for scrutinizing the voting through the Postal Ballot, including e-voting, in a fair and transparent manner.

You are requested to carefully read instructions printed on the Postal Ballot Form, including for the e-voting, and ensure that the said Postal Ballot Form (no other form or photocopy thereof is permitted) duly completed, in the attached self-addressed postage pre-paid envelope or through e-voting, reaches the Scrutinizer on or before the close of working hours i.e. **5.00 P.M.(IST), on Monday, 23rd January 2017,** failing which it will be strictly considered that no reply has been received from the Member.

The Company is pleased to offer an e-voting facility as an alternate option to its Members to enable them to cast their votes electronically. E-Voting is optional. In case you desire to exercise your vote by using the e-voting facility, then you are required to carefully follow the instructions for e-voting.

PROPOSED RESOLUTIONS:

1. TO GIVE LOANS/GUARANTEES, PROVIDING OF SECURITIES AND MAKING INVESTMENT IN SECURITIES FOR AN AMOUNT NOT EXCEEDING 125 CRORES.

"RESOLVED THAT, pursuant to Section 186 and all other applicable provisions of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 as may be amended, from time to time and Articles of Association of the Company, approval of the shareholders of the Company be and is hereby given to the Board of Directors for:-

a) giving any loan to any person or other body corporate,

b) giving any guarantee or providing any security in connection with a loan to any other body corporate or person and / or

c) acquiring whether by way of subscription, purchase or otherwise, the securities of any other body corporate upto an amount, the aggregate outstanding of which should not exceed, at any given time Rs. 1,25,00,00,000/- (Rupees One Hundred Twenty Five Crores Only) which shall be over and above the limits as specified in Section 186(2) of the Companies Act, 2013.

"RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution, Mr. Anand Arya, Chairman & Managing Director of the Company be and is hereby authorized to negotiate and decide from time to time, terms and conditions, execute necessary documents, papers, agreements etc. for the investment to be made, loans and guarantees to be given and securities to be provided to any person and/ or any body corporate, do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, proper or desirable, settle any question, difficulty or doubt that may arise in this regard and to delegate all or any of these powers to any committee of directors or director or officer of the Company or any other person.

2. TO CREATE, OFFER AND ISSUE UPTO 50 SECURED OPTIONALLY CONVERTIBLE REDEEMABLE DEBENTURES ("OCD") NOT EXCEEDING RS. 5,00,00,000/- ON PREFERENTIAL BASIS

"**RESOLVED THAT,** subject to the provisions of Section 42 and 71 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under (including any statutory modification or re-enactment thereof for the time being in force and hereinafter collectively referred as "**Act**"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "**SEBI ICDR Regulations**") as amended and any other guidelines and clarifications issued by the Securities and Exchange Board of India and also by any other statutory/regulatory authorities and other applicable laws, and in accordance with the provisions of the Articles of Association of the Company, and subject to all such other approvals, permissions, consents and sanctions of any authorities, as may be necessary, and all other relevant third party consents and approvals as may be required and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents and sanctions which may be agreed to by the Board of Directors, consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as the Board which term shall be deemed to include duly authorized committee thereof constituted to exercise the powers conferred on the Board by this resolution) to create, offer and issue upto 50 (Fifty) Secured OCDs bearing a face value of Rs. 10,00,000/- (Rupees Ten Lacs Only) not exceeding an aggregate amount of Rs. 5,00,00,000/- (Rupees Five Crores) to **Edelweiss Stressed & Troubled Assets Revival Fund – I** ("**Investor**") from time to time in one or more tranches on such terms and conditions as mentioned hereunder and in the explanatory statement.The principal amount of the OCDs shall be convertible in Equity Shares of the Company at a price per Equity Share as determined in accordance with the SEBI (ICDR) Regulations based on the relevant date which is thirty days prior to the date on which the holders of the OCDs shall issue a conversion notice in writing to the Company."

"RESOLVED FURTHER THAT

a) the consideration price of OCD shall be received from Investor's Banks Accounts;

b) the Board be and is hereby authorized to accept any modification(s) or to modify the terms of issue of OCDs, subject to the provisions of the Act and SEBI (ICDR) Regulations, without being required to seek any further consent or approval of the members of the Company."

3. TO CREATE, OFFER AND ISSUE UPTO 430 SECURED NON-CONVERTIBLE DEBENTURES ("NCD") NOT EXCEEDING RS. 43,00,00,000/- ON PREFERENTIAL BASIS.

"**RESOLVED THAT** subject to the provisions of Section 42 and 71 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under (including any statutory modification or re-enactment thereof for the time being in force and hereinafter collectively referred as "**Act**") and other applicable laws, and in accordance with the provisions of the Articles of Association of the Company, and subject to all such other approvals, permissions, consents and sanctions of any authorities, as may be necessary, and all other relevant third party consents and approvals as may be required and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents and sanctions which may be agreed to by the Board of Directors, consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as the Board which term shall be deemed to include duly authorized committee thereof constituted to exercise the powers conferred on the Board by this resolution) to create, offer and issue upto 430 (Four Hundred and Thirty) Secured NCDs bearing a face value of Rs. 10,00,000/- (Rupees Ten Lacs) not exceeding an aggregate amount of Rs. 43,00,00,000/- (Rupees Forty Three Crores) to **Edelweiss Stressed & Troubled Assets Revival Fund – I** ("**Investor**") from time to time in one or more tranches on such terms and conditions as mentioned in the explanatory statement."

"RESOLVED FURTHER THAT,

a) the consideration price of NCDs shall be received from Investor's Banks Accounts;

b) the Board be and is hereby authorized to accept any modification(s) or to modify the terms of issue of NCDs, subject to the provisions of the Act, without being required to seek any further consent or approval of the members of the Company."

4. CREATION OF SECURITY TO SECURE THE ISSUE OF OCD's AND NCD's

"**RESOLVED THAT,** subject to the provisions of Section 186(2)(b) read with Section 186(3) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under (including any statutory modification or re-enactment thereof for the time being in force and hereinafter collectively referred as "**Act**") and other applicable laws, and in accordance with the provisions of the Articles of Association of the Company, and subject to all such other approvals, permissions, consents and sanctions of any authorities, as may be necessary, and all other relevant third party consents and approvals as may be required and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents and sanctions which may be agreed to by the Board of Directors, consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as the Board which term shall be deemed to include duly authorized committee thereof constituted to exercise the powers conferred on the Board by this resolution) to create, offer, execute and perfect the following security to secure the redemption of the OCDs and the NCDs including all interest, compound/ additional interest, premium, commitment charge, cost, charges, expenses and all other moneys payable by the Company in respect thereof:

1. A first and exclusive charge by way of mortgage over a factory land located in Piplej, Saijpur-Gopalpur, Ahmedabad, Gujarat ("**Ahmedabad Land**") owned by its Wholly-Owned Subsidiary i.e. Bindal Synthetics Private Limited ("**BSPL**");
2. A first and exclusive charge by way of mortgage over the leasehold rights of the Company over the Ahmedabad Land along with all supra-structure thereon including buildings, erections, godowns, Plant and Machinery and constructions of every description thereon;
3. A first and exclusive charge by way of mortgage over a Flat in the building known as Prithvi Apartments situated at 21, Altamount Road, Mumbai 400 026 owned by the Promoters of the Company;
4. A first and exclusive charge by way of hypothecation over the movables and the current assets of the Company;
5. A first and exclusive charge by way of pledge of the listed equity shares of the Company owned by the Promoters;
6. A first and exclusive charge by way of pledge of equity shares of BSPL;
7. the Corporate Guarantee of BSPL; and
8. the Personal Guarantee of the Promoters.

"RESOLVED FURTHER THAT, for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, matters, deeds and things and to take all such steps and give all such directions as the Board may consider necessary, expedient or desirable, including without limitation, to prescribe the forms of application, allotment and by way of further calls, if any, to enter into any agreements or other instruments, and to take such actions or give such directions as may be necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable and to settle any question or difficulty that may arise with regard to the matters approved as aforesaid.

"RESOLVED FURTHER THAT, the Board be and is hereby authorized to delegate all or any of the powers herein conferred by the above resolutions to any Director or Directors or to any Committee of Directors or any other officer or officers of the Company to give effect to the aforesaid resolutions."

Registered Office
2nd Floor, JBF House,
Old Post Office Lane,
Kalbadevi Road,
Mumbai – 400002
Place : Mumbai
Date : December 09, 2016

By the order of the Board of Directors
For Blue Blends (India) Limited

Kushalraj Sonigda
Company Secretary

NOTES

1. The relevant Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013 in respect of Item No. 1, 2, 3 and 4 set out in the Notice is annexed hereto.

2. The Postal Ballot Notice is being sent to all the Members, whose names appear on the Register of Members/ List of beneficial owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on December 09, 2016.

3. Resolutions passed by Members through the Postal Ballot including e-voting are deemed to have been passed as if the same have been passed at a general meeting of the Members.

4. The Directors of the Company have appointed Mr. Sunil Bohra, Partner of M/s. P C Surana & Co., Chartered Accountant, Mumbai as the Scrutinizer for Scrutinizing the Postal Ballot Forms and e-voting in a fair and transparent manner. Members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the enclosed self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. Postal Ballot Form/s, if sent by courier or by registered post/speed post at the expense of the Members, will also be accepted.

   The Postal Ballot Form/s may also be deposited personally at the 205-206, Standard House, M K Road, Marine Lines, Mumbai – 400020 address given thereon. The duly completed Postal Ballot Form/s should reach the Scrutinizer Office not later than 5.00 P.M. (IST) on Monday January, 23, 2017 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member.

5. The Scrutinizer will submit his report to the Director after the completion of the scrutiny of the Postal Ballot including e-voting. The result of the Postal Ballot including e-voting shall be declared on or before **Wednesday, January 25, 2017** and be communicated to the BSE and NSE. The same would also be displayed on the Company's website at **'www.blueblends.com'.**

6. **Voting through electronic means (e-voting):**

   In terms of the provisions of Section 108 of the Companies Act, 2013 ('the Act') read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (hereinafter called 'the Rules' for the purpose of this section of the Notice) and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('LODR, 2015'), the Company is also providing an e-voting facility to Members as an alternative facility to vote physically through the Postal Ballot, to exercise their votes on the items of business given in the Postal Ballot Notice. This is facilitated through an electronic voting system through the e-voting platform provided by the Central Depository Services (India) Limited ('CDSL') to those members holding shares as on Friday, December 09, 2016 being the Cut-off date (Record date for the purpose of Rule 20(3)(vii) of the Rules) fixed for determining the voting rights of Members entitled to participate in the voting process.

7. **The instructions for e-voting are as under:**

   The voting period begins at **09.00 A.M. IST on Wednesday December 21th, 2016 and ends at 5.00 P.M. IST on Monday January 23rd, 2017.** During this period, Members of the Company, holding shares either in physical form or in dematerialized form (as on the **cut-off date which is Friday December 09th, 2016**), may cast their vote electronically. The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on this cut-off date. The e-voting module shall be disabled by CDSL for e-voting after 5.00 p.m. IST on Monday January 23rd, 2017.

   a. Log on to the e-voting website **www.evotingindia.com** during the voting period.

   b. Click on the **"Shareholders"** tab

   c. Select the **"COMPANY NAME"** from the drop down menu and click on **"SUBMIT"**

   d. Enter your User ID

      For CDSL: 16 digits beneficiary ID,

      For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

      Members holding shares in Physical Form should enter Folio Number registered with the Company.

   e. Next enter the Image Verification as displayed and Click on Login.

   f. If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any company, then your existing password is to be used.

g. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details #	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. # Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depositoryor company please enter the member id / folio number in the Dividend Bank details field.

h. After entering these details appropriately, click on "SUBMIT" tab.

i. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

j. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

k. Click on the EVSN for the relevant <Company Name> on which you choose to vote.

l. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

m. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

n. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

o. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

p. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

q. <u>Note for Institutional Shareholders</u>

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.co.in and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a compliance user should be created who would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

r. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at **www.evotingindia.co.in** under help section or write an email to **helpdesk.evoting@cdslindia.com.**

s. Members can opt for only one mode of voting, i.e., either by physical ballot or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail, and the votes cast through physical Postal Ballot form will be treated as invalid.

t. All material documents referred to in the Notice will be made available for inspection at the Registered Office of the Company on any working day between 2.00 P.M. to 5.00 P.M. up to the date of last date of reciept of postal ballot.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

SPECIAL BUSINESS

ITEM NO. 1

Pursuant to Section 186 and all other applicable provisions of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors are authorized to give loan, guarantee or provide security in connection with the loan to any person or other body corporate, or acquire by way of subscription, purchase or otherwise, the securities including shares, debentures etc. of any other body corporate, up to an amount, the aggregate of which should not exceed 60% of the paid up capital, Free Reserves and Securities premium Account or 100% of Free Reserves and Securities Premium Account of the company, whichever is higher. In case the company exceeds the above mentioned limits then, prior approval of shareholders by way of Postal Ballot is required to be obtained.

The Company is undertaking various business activities from time to time therefore, it required to provide financial assistance/support by way of giving of loans/guarantees, providing of securities, making of investments in securities in order to expand its business activity and also for optimum utilization of funds. Accordingly, Board of Directors of the company may be authorized to give loans, guarantees, or provide securities to make investments as mentioned above, up to an amount, the aggregate outstanding of which should not exceed, at any given time Rs. 1,25,00,00,000/- (Rupees One Hundred and Twenty Five Crores only) which shall be over and above the said limits as specified in section 186 (2) of the Act.

Except Directors and Key Managerial Personnel or their relatives who may be concerned or interested, financially or otherwise, by way of directorship/shareholding or in any other manner in one or more companies/bodies corporate/individuals as described in the said resolution, no other director or Key Managerial Personnel or their relatives is concerned or interested in the said resolution.

The Board recommends the special resolution set forth in Item No. 1 of notice of approval of the members.

ITEM NO. 2

CREATE, OFFER AND ISSUE OF OCDs

In order to raise debt, the Company is desirous of making private placement of upto 50 (Fifty) Redeemable Optionally Convertible Debentures in dematerialised form ("**OCDs**"), bearing a face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) on private placement basis, at par aggregating upto Rs. 5,00,00,000/- (Rupees Five Crore only)to the **Edelweiss Stressed & Troubled Assets Revival Fund – I**("**Investor**").

Pursuant to provisions of Section 62 read with Section of 71 Companies Act, 2013, the shareholders needs to approve the issue of OCD by way of Special Resolution. The proposed issue of OCD are in accordance with the provisions of SEBI (ICDR) Regulations and other applicable regulations, if any.

In order to issue the OCDs, the Board of the Company at its meeting held on 09th December, 2016 proposed draft Letter of Offer for the issuance of OCD's amounting up to Rs 5,00,00,000 (Rupees Five Crores only) and subject to the approval of the members through Postal Ballot.

The directors on approval of the shareholders will dispatch the Letter of Offer and other related documents to the members, and deliver such deeds, forms, documents, writings , and papers as may be necessary to the Registrar of the Companies or any other Governmental or Regulatory Authority and to do all other acts, deeds and things as may be necessary.

The Board recommends the special resolution set forth in Item No. 2 of notice of approval of the members.

Hence, it is proposed draft Letter of Offer is required to be approved to issue the OCDs. On obtaining the sanction of the members through Postal Ballot, steps will be taken for furtherance of procedure under the regulatory compliance of all concerned authorities.

a) The nature of concern of interest by the Directors

Basis	Name of Director/ Manager / KMP	Nature of concern / interest	Name of the relatives through whom interested	Name of the Companies in which Shareholding is not less than 2%
(i) Director	N.A	N.A	N.A	N.A
(ii) Other Key Managerial Personnel (KMP)	N.A	N.A	N.A	N.A
	Name of relative	Name of the Director / Manager / KMP and Relation	Nature of concern / interest	Name of the Companies in which shareholding is not less than 2% of the paid up share capital
Relatives of the persons mentioned in sub-clause (i) and (ii)	N.A	N.A	N.A	N.A

b) Draft letter of offer for issue of the OCDs are open for inspection at the registered office of the company upto the date of receipt of Postal Ballot on any working day between 2.00 P.M. to 5.00 P.M.

In terms of the provisions of the Companies Act, 2013 read with Rule 13(2) of the Companies (Share Capital and Debentures) Rules, 2014 and the aforesaid SEBI (ICDR) Regulations, the relevant disclosures / details are given below:

The Objects of the issue through preferential offer:

The proceeds shall be utilized by the company for the following:

a. Capital expenditure requirements;

b. Disbursement of the facility;

c. Discharging liabilities of the Company

The proceeds of OCD shall not be utilized either in part or full for investment in capital market, land acquisition, acquiring Equity Shares of Indian company/ies, buy back of shares of Indian company or any other purpose, which is prohibited or any illegal activity.

The intention of the Promoters/Directors/Key Managerial Personnel of the issuer to subscribe to the offer:

None of the Promoters/ Directors/ Key Management Persons are proposing to subscribe to the offer

Terms of Issue of OCD:

i) **Relevant Date**- The Relevant Date for the preferential issue, as per the SEBI (ICDR) Regulations, as amended from time to time, for the determination of price for the equity shares to be allotted upon conversion of the OCD shall be based on the date which is thirty days prior to the date on which the holders of the OCDs issue a conversion notice in writing to the Company for conversion of the OCDs.

ii) **Conversion Price:**The principal amount of the OCDs shall be convertible in Equity Shares of the Company at a price per Equity Share as determined in accordance with the SEBI (ICDR) Regulations based on the Relevant Date.

As per the SEBI (ICDR) Regulations, the equity shares of the Company shall be allotted to the holders of OCDs upon conversion, at a price not less than higher of the following:

a) The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the stock exchange during the twenty six weeks preceding the relevant date; or

b) The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a stock exchange during the two weeks preceding the relevant date.

Explanation: For the purpose of the aforesaid, 'stock exchange' means any of Bombay Stock Exchange Limited and National Stock Exchange of India Limited, in which the highest trading volume in respect of the equity shares of the Company has been recorded during the preceding twenty six weeks prior to the Relevant Date.

iii) **Conversion**:

The Investor holding the OCDs will have the right to, but not obligated to, convert whole or part (at their discretion) of the OCDs into Equity Shares of the Company with voting and economic rights at par with all other outstanding Equity Shares of the Company. The Investor will have the right to convert the OCDs at any time on or before the expiry of a period of eighteen (18) months from the date of allotment of the OCDs. The Principal Amount of the OCDs will be convertible into Equity Shares at the Conversion Price. In order to effect a Conversion, the OCD Holders shall give a prior written notice to the Company ("**Conversion Notice**") at its registered office, of its election to convert the OCDs and the name or names in which the Equity Shares are to be issued. Upon issuance of the Conversion Notice, the OCD Holders will become entitled to the equity shares of the Company.

The Company will pay to the Investor holding the OCDs the amounts of the Interest, the Default Interest and the Premium as may be payable till the Conversion Date, on the OCDs being converted.

The Equity Shares allotted by the Company will be of the same face value and with the same rights as those of Equity Shares of the Company then outstanding and will be issued to the Investor holding the OCDs at the Conversion Price.

The Equity Shares issued upon conversion of the OCDs shall be listed on the Stock Exchanges on which the Equity Shares of the Company are listed, and will be tradable on such Stock Exchanges once listed thereon, which will be completed within the time period prescribed under the SEBI ICDR Regulations.

iv) **Tenure and Redemption**:

The OCDs which are not converted into Equity Shares of the Company on or before the expiry of a period of eighteen (18) months from the date of allotment of the OCDs, shall be redeemed in one bullet on or before 31-03-2020.

v) **Lock-in and transfer**:

a) The OCDs and the Equity Shares allotted pursuant to the conversion of the OCDs, shall be locked in for a period of 1 (One) year from the date of trading approval granted by any of the Stock Exchanges ("**Lock-in Period**"). The lock-in of Equity Shares allotted pursuant to conversion of the OCDs shall be reduced to the extent the OCDs have already been locked-in.

b) The OCDs shall not be transferred by the OCD Holders till trading approval is granted for by all of the Stock Exchanges, where the Equity Shares of the Company are listed. Further, the Equity Shares allotted pursuant to the conversion of the OCDs shall not be transferred by the Investor holding the OCDs till trading approval is granted for by all of the Stock Exchanges, where the Equity Shares of the Company are listed.

c) Upon expiry of the Lock-in Period and subject to receipt of the trading approvals, the OCDs shall be freely transferable to any Person in accordance with the Applicable Law and the Investor holding the OCDs may in accordance with the applicable Law assign all or any of the rights and interests attaching thereto under the Transaction Documents, without the prior consent of the Company or any other Person.

d) Upon expiry of the Lock-in Period and subject to receipt of the trading approvals, the Equity Shares allotted pursuant to the conversion of the OCDs shall be transferable as per the SEBI ICDR Regulations.

vi) **Voting Rights**:

Other than voting rights *inter se* holders of OCDs, the OCDs will not carry any voting rights in the meeting of the shareholders of the Company. The Investor holding the OCDs will not be entitled to any of the rights and privileges available to the shareholders including right to receive notices of or to attend and vote at general meetings or to receive annual reports of the Company.

vii) **Interest and Premium**:

The OCDs shall carry an interest at a rate of 16% (sixteen percent) per annum. The Company will pay to the holders of the OCDs an amount calculated as set out below ("**Premium**"). It is clarified that the Premium shall be over and above the Principal Amount, the Interest and the Penal Interest, as may be payable, The Premium shall be calculated as follows:

An amount calculated such that an Internal Rate of Return (IRR) of 20% per annum is achieved on the Principal Amount of the unconverted portion of the OCDs from the Deemed Date of Allotment upto the actual date of Redemption after including Interest, Redemption and Premium

The Premium shall be payable at any time post 2 years from the Deemed Date of Allotment but not later than the last Redemption Date.

viii) **Security**:

The OCDs will be secured by:

1. A first and exclusive charge by way of mortgage over a factory land located in Piplej, Saijpur-Gopalpur, Ahmedabad, Gujarat ("**Ahmedabad Land**") owned by its Wholly-Owned Subsidiary i.e. Bindal Synthetics Private Limited ("**BSPL**");
2. A first and exclusive charge by way of mortgage over the leasehold rights of the Company over the Ahmedabad Land along with all supra-structure thereon including buildings, erections, godowns, Plant and Machinery and constructions of every description thereon;
3. A first and exclusive charge by way of mortgage over a Flat in the building known as Prithvi Apartments situated at 21, Altamount Road, Mumbai 400 026 owned by the Promoters of the Company;
4. A first and exclusive charge by way of hypothecation over the movables and the current assets of the Company;
5. A first and exclusive charge by way of pledge of the listed equity shares of the Company owned by the Promoters;
6. A first and exclusive charge by way of pledge of equity shares of BSPL;
7. the Corporate Guarantee of BSPL; and
8. the Personal Guarantee of the Promoters.

Identity of the proposed Allottee(s):

If at any time the OCD holder exercises its right to convert all the outstanding OCD the shareholding pattern post such conversion would be as under:

Sr. No.	Identity of the proposed allottee(s)	Category	Pre Issue Holding		No. of Equity Shares to be allotted upon conversion of OCD'	Post Conversion Holding	
			No. of Shares	Percentage		No. of Shares	Percentage
1.	**Edelweiss Stressed & Troubled Assets Revival Fund – I**	Alternative Investment Fund	NIL	NIL	Will depend on the price to be determined on relevant date at the time of conversion of OCD's	Will depend on the price to be determined on relevant date at the time of conversion of OCD's	Will depend on the price to be determined on relevant date at the time of conversion of OCD's

Particulars of the proposed allottee and the Identity of the natural persons who are the ultimate beneficial owners of the Equity Shares and Optionally Convertible Redeemable Debentures proposed to be allotted and / or who ultimately control the proposed allottee:

Sr. No.	Name, PAN and Address of the proposed Allottees	Category	Identity of the natural person who are the ultimate beneficial owners
1.	**Edelweiss Stressed & Troubled Assets Revival Fund – I** **Address:** Edelweiss House, 15th Floor, Off C.S.T. Road, Kalina, Mumbai 400098, acting through its trustee, Edelweiss Trustee Services Limited ("**Trustee**"), a company registered under the provisions of the Companies Act, 1956, having its registered and corporate office at Edelweiss House, Off C.S.T. Road, Kalina, Mumbai 400098 PAN: AAATE5014C	***Alternative Investment Fund***	***The allottee is the Alternative Investment Fund registered with SEBI.****

*** The certificate of Registration issued by SEBI will be available for inspection.**

Shareholding Pattern pre and post preferential offer:

The proposed allottee does not hold any equity shares of the company. The post preferential holding will depend upon the price and number of shares converted, if conversion right is exercised by the allottee.

The voting rights will change in tandem with the change in shareholding pattern.Further the Company would comply with the prescribed minimum public shareholding requirements by SEBI (SCRA) Regulations, 1957.

Requirement as to re-computation of price

As the shares of the Company have been listed for a period of more than twenty six weeks on BSE and NSE as on relevant date, the price of the Equity Shares has been determined in terms of sub-regulation (1) of Regulation 76 of the SEBI (ICDR) Regulations. Hence, the price need not to be re-computed.

Proposed time within which the allotment shall be completed:

As required under the SEBI (ICDR) Regulations, the allotment of OCDs pursuant to the special resolution shall be completed within a period of fifteen days from the date of passing of this special resolution approving allotment.

Provided that where the allotment is pending on account of any approval of such allotment by any regulatory authority including stock exchanges or the Central Government, the allotment shall be completed within 15 days from the date of such approval.

Change in control, if any, in the Company that would occur consequent to the preferential offer:

There will be no change in the control of the company after the issue of NCD and OCD.

Auditors Certificate:

It is proposed to obtain a certificate from P C Surana & Co., Statutory Auditors of the Company, certifying that the issue of OCDs is being made in accordance with requirements of SEBI (ICDR) Regulations. This certificate will be made available for inspection on any working day between 2.00 PM to 5.00 PM after the date of dispatch of Postal Ballot notice and upto the last date of receipt of Postal Ballot Notice.

Others:

The OCDs to be issued and allotted by the Company in the manner as aforesaid shall be in dematerialized form. The equity shares to be issued upon conversion of the OCDs shall rank paripassu in all respects including with respect to dividend, with the then fully paid up Equity Shares of the Company, from the date of their allotment. Such new Equity Shares when issued and allotted as aforesaid shall be entitled for dividend as per the SEBI regulations/ clarifications rules in this regards

Accordingly, consent of the members is being sought for passing the Special Resolution as set out at Item No. 2 of the Notice. This resolution authorises the Board of Directors of the Company to offer or invite subscription for Optionally Convertible Debentures, as may be required by the Company, from time to time for a year from the date of passing this resolution.

ITEM NO. 3

ISSUE OF NCDs

In order to raise debt, the Company is desirous of making private placement of upto 430 (Four Hundred and Thirty) Redeemable, Non-Convertible Debentures in dematerialised form ("**NCDs**"), bearing a face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) on private placement basis, at par aggregating uptoRs. 43,00,00,000/- (Rupees Forty Three Crore only).

Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 prescribed under Section 42 and other applicable provisions, if any, of the Companies Act, 2013 of the Act deals with private placement of securities by a company. Sub-rule (2) of the said Rule 14 states that in case of an offer or invitation to subscribe for Non-Convertible Debentures on private placement, the company shall obtain previous approval of its members by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year. Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014 deals with issue of secured debentures. In order to augment long term resources for financing, inter alia, for the strategic business expansion in future and for general corporate purposes, the Board, which term shall include any Committee constituted by the Board, may at an appropriate time, offer or invite subscription for Redeemable Non-Convertible Debentures, in one or more series / tranches on private placement basis, issuable / redeemable at par.

The Company is inter alia desirous of executing the following documents, the drafts of which are placed before the Board ("**Transaction Documents**"):

i. the Debenture Trust cum Mortgage Deed;
ii. the Debenture Trustee Agreement;
iii. the Escrow Agreement;
iv. the Promissory Notes;
v. the Security Documents; and
vi. any other agreements, deeds or documents entered into between the Parties in relation to the transactions being contemplated under this Deed and designated as such by the Parties.

In order to issue the NCDs, the Board of the Company at its meeting held on 09th December, 2016 and subject to the approval of the members through Postal ballot, proposed draft Information Memorandum ("**IM**")/ Letter of Offer for the issuance amounting upto Rs. 43,00,00,000/- (Rupees Forty Three Crore only).

The directors on approval of the shareholders will dispatch the IM / Letter of Offer and other related documents and deliver such deeds, forms, documents, writings, and papers as may be necessary to the Registrar of Companies or any other Governmental or Regulatory Authority and to do all other acts, deeds and things as may be necessary.

The Board recommends the special resolution set forth in Item No. 3 of notice of approval of the members.

Hence, it is proposed draft IM / Letter of Offer is required to be approved to issue the NCDs. On obtaining the sanction of the members through Postal Ballot, steps will be taken for furtherance of procedure under the regulatory compliance of all concerned authorities.a) The nature of concern of interest by the Directors

Basis	**Name of Director/ Manager / KMP**	**Nature of concern / interest**	**Name of the relatives through whom interested**	**Name of the Companies in which Shareholding is not less than 2%**
(i) Director	N.A	N.A	N.A	N.A
(ii) Other Key Managerial Personnel (KMP)	N.A	N.A	N.A	N.A
	Name of relative	Name of the Director / Manager / KMP and Relation	Nature of concern / interest	Name of the Companies in which shareholding is not less than 2% of the paid up share capital
Relatives of the persons mentioned in sub-clause (i) and (ii)	N.A	N.A	N.A	N.A

c) Draft letter of offer for issue of the NCDs are open for inspection at the registered office of the company upto the date of receipt of Postal Ballot on any working day between 2.00 PM to 5.00 PM

Terms of the NCDs

The NCDs are issued *inter alia* on the following terms:

i) **Tenure and Redemption**:

The NCDs shall be redeemed in equal monthly installments starting from the expiry of 1 (one) year and ending on March 31, 2020.

ii) **Transfer**:

Notwithstanding anything contained in the Articles of Association and Memorandum of Association, the NCDs shall be freely transferable to any Person in accordance with the Applicable Law and the NCD Holder(s) may in accordance with the Applicable Law assign all or any of the rights and interests attaching thereto, without the prior consent of the Company or any other Person.

iii) **Voting Rights**:

Other than voting rights *inter se* holders of NCDs, the NCDs shall not carry any voting rights in the meeting of the shareholders of the Company. The NCD Holders will not be entitled to any of the rights and privileges available to the shareholders including right to receive notices of or to attend and vote at general meetings or to receive annual reports of the Company.

iv) **Interest and Premium**:

The NCDs shall carry an interest at a rate of 16% (sixteen percent) per annum. The Company will pay to the holders of the NCDs an amount calculated as set out below ("**Premium**"). It is clarified that the Premium shall be over and above the Principal Amount, the Interest and the Penal Interest, as may be payable, The Premium shall be calculated as follows:

An amount calculated such that an Internal Rate of Return (IRR) of 20% per annum is achieved on the Principal Amount of the NCDs from the Deemed Date of Allotment upto the actual date of Redemption after including Interest, Redemption and Premium.

The Premium shall be payable at any time post 2 years from the Deemed Date of Allotment but not later than the last Redemption Date.

v) **Security**:

The NCDs will be secured by:

1. A first and exclusive charge by way of mortgage over a factory land located in Piplej, Saijpur-Gopalpur, Ahmedabad, Gujarat ("**Ahmedabad Land**") owned by its Wholly-Owned Subsidiary i.e. Bindal Synthetics Private Limited ("**BSPL**");
2. A first and exclusive charge by way of mortgage over the leasehold rights of the Company over the Ahmedabad Land along with all supra-structure thereon including buildings, erections, godowns, Plant and Machinery and constructions of every description thereon;
3. A first and exclusive charge by way of mortgage over a Flat in the building known as Prithvi Apartments situated at 21, Altamount Road, Mumbai 400 026 owned by the Promoters of the Company;
4. A first and exclusive charge by way of hypothecation over the movables and the current assets of the Company;
5. A first and exclusive charge by way of pledge of the listed equity shares of the Company owned by the Promoters;
6. A first and exclusive charge by way of pledge of equity shares of BSPL;
7. the Corporate Guarantee of BSPL; and
8. the Personal Guarantee of the Promoters.

vi) **Rating and Listing**

The Company shall, within 90 (ninety) days of the First Deemed Date of Allotment, list the NCDs on the Wholesale Debt Market of the BSE & NSE and shall ensure that the names of the NCD Holders is reflected in the Register of the Beneficial Owners and provide the NCD Holders with certified true copies of the aforesaid register.

The Company shall obtain the credit rating from a credit rating agency which is acceptable to the NCD Holders.

Accordingly, consent of the members is being sought for passing the Special Resolution as set out at Item No. 3 of the Notice. This resolution authorises the Board of Directors of the Company to offer or invite subscription for Non-Convertible Debentures, as may be required by the Company, from time to time for a year from the date of passing this resolution.

ITEM NO. 4

CREATION OF SECURITY FOR ISSUE OF OCD's AND NCD's

The OCDs and NCDswhich are to be issued by the Company are proposed to be secured by way of:

i. first and exclusive charge by way of mortgage over the immovable assets of Bindal Synthetics Private Limited, a Wholly Owned Subsidiary of the Company ("**BSPL**") ("**Mortgaged Assets 1**");
ii. first and exclusive charge by way of mortgage over the immovable assets of the Promoters ("**Mortgaged Assets 2**");
iii. first and exclusive charge by way of hypothecation over the Hypothecated Assets created/to be created by the Company as per the terms and conditions of the Deed of Hypothecation;
iv. first and exclusive charge by way of pledge of the Company Pledge Shares;
v. first and exclusive charge by way of pledge of the BSPL Pledge Shares;
vi. the Corporate Guarantee of BSPL; and
vii. the Personal Guarantee of the Promoters.

Accordingly, as per Section 186(3) of the Act, the Company is required to obtain the prior approval of the members by way of a special resolution for creation of charge over its movable and/or immovable properties exceeding 60% (sixty percent) of its paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more.

The Board recommends these resolutions for the approval of the members as Special Resolutions.

Registered Office
2nd Floor, JBF House,
Old Post Office Lane,
Kalbadevi Road,
Mumbai – 400002
Place : Mumbai
Date : December 09, 2016

By the order of the Board of Directors
For Blue Blends (India) Limited

Kushalraj Sonigda
Company Secretary