BLUE BLENDS (INDIA) LIMITED

CIN : L17120MH1981PLC023900

JBF House, 2nd Floor,
Old Post Office Lane,
Kalbadevi Road,
Mumbai - 400 002. (India)

To,

22.12.2018

The National Stock Exchange Limited
Bandra
Mumbai

Dear Sir,

Sub. : Default in payment of NCDs
: Scrip Code – BLUEBLENDS

We would like to bring to your notice that there is a default in payment of the Principal and the Interest Amount pertaining to Non-Convertible Redeemable Debentures (NCDs) issued by the Company.

We also attached herewith Notice of Default bearing Ref. no. 8684/ITSL/OPR/2018 dated 13th December, 2018 addressed to the Company for your reference.

Request you to please take the said above information in your records.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,
For Blue Blends (India) Limited

BLUE BLENDS (INDIA) LIMITED BOMBAY-2

(ANAND ARYA)
Chairman & Managing Director

DIN : 00084995

encl. : as above

Phone : 2208 8736 / 2208 5951 • Fax : 91-22-2208 0470
Email : blueblends.ho@gmail.com / blueblends@yahoo.com • Website : www.blueblends.com

IDBI Trusteeship Services Ltd
CIN : U65991MH2001GOI131154

IDBI trustee

8584/ITSL/OPR/2018
13th December 2018

To,

1. Blue Blends (India) Limited
JBF House, 2nd Floor,
Old Post Office Lane
Kalbadevi Road,
Mumbai – 4000002

2. Bindal Synthetics Private Limited (Corporate Guarantor/Mortgagor)
JBF House,
Old Post Office Lane
Kalbadevi Road,
Mumbai – 4000002

3. Mr. Anand Arya (Personal Guarantor/Mortgagor)
B-2, 26th Floor,
Prithvi Apartment,
Altamount Road,
Mumbai – 400026

4. Ms. Indu Arya (Personal Guarantor/Mortgagor)
B-2, 26th Floor,
Prithvi Apartment,
Altamount Road,
Mumbai – 400026

5. Mr. Aman Arya (Personal Guarantor/Mortgagor)
B-2, 26th Floor,
Prithvi Apartment,
Altamount Road,
Mumbai – 400026

Dear Madam / Sirs,

Subject: **Notice of default cum guarantee invocation - Non-Convertible Redeemable Debentures ("NCDs") issued by Blue Blends (India) Limited ("Company") pursuant to the Debenture Trust Cum Mortgage Deed dated 30th January 2017 ("DTD")**

1. We, IDBI Trusteeship Services Limited ("ITSL"), acting in its capacity as debenture trustee in trust and for the benefit of Debenture Holders under the DTD executed by and between the Company (Addressee No. 1 above), Bindal Synthetics Private Limited (Addressee No.2 above) (hereinafter referred to as the "**Corporate Guarantor**") and Mr. Anand Arya (Addressee No. 3 above), Ms. Indu Arya (Addressee No. 4 above) and Mr. Aman Arya (Addressee No. 5 above) (hereinafter together

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For BLUE BLENDS (INDIA) LIMITED
DIRECTOR

referred to as **"Personal Guarantors"**), and ITSL, write to you on instruction of the Debenture Holders as under:

2. The facts stated below are well within your knowledge.

3. The Company has issued 430 (Four Hundred and Thirty) secured, non-convertible redeemable debentures, having face value of Rs.10,00,000/- (Rupees Ten Lakhs Only) each, aggregating to Rs.43,00,00,000/- (Rupees Forty Three Crores Only) **("Debentures Amount")** on the terms and conditions more particularly set out in the DTD read with the DTA executed by and between the Company and ITSL.

4 In consideration of the NCDs and to secure all the outstanding amounts thereunder, the Company, the Corporate Guarantor, the Personal Guarantors and other security providers have also executed inter-alia the following security documents (hereinafter, together referred to as **"Security Documents"**) in favour of the Debenture Trustee and/or Debenture Holders:

4.1 Deed of Corporate Guarantee dated 1st February 2017 executed by the Corporate Guarantor in favour of the Debenture Trustee thereby guaranteeing in their corporate capacity due repayment of all outstanding amounts under the NCDs;

4.2 Deed of Personal Guarantee dated 1st February 2017 executed by all the Personal Guarantors in favour of the Debenture Trustee thereby guaranteeing in their individual and personal capacity due repayment of all outstanding amounts under the NCDs;

4.3 Escrow Agreement executed by and between the Company, the Personal Guarantors, the Debenture Trustee and Kotak Mahindra Bank **("Escrow Bank")**;

4.4 Share Pledge Agreement dated1st February 2017 **("SP Agreement 1")** executed by and between the Company, the Personal Guarantors and the Debenture Trustee creating first ranking charge in respect of 95,10,000 fully paid up shares of the Company held by the Personal Guarantors;

4.5 Share Pledge Agreement dated 1st February 2017 **("SP Agreement 2")** executed by and between the Company, the Corporate Guarantor and the Debenture Trustee creating first ranking charge in respect of 7,00,000 fully paid up shares of the Company held by the Corporate Guarantor

4.6 Deed of Hypothecation dated 1st February 2017 executed by the Company in favour of the Debenture Trustee for the movable assets as more particularly described therein; and

4.7 DTD cum Mortgage Deed dated 30th January 2017 executed by the Company, Corporate Guarantor, Personal Guarantors and Debenture Trustee, for the Mortgaged Assets, as more particularly described therein.

4.8 Demand Promissory Note dated 30th January 2017 for the Amounts Due;

5. Despite repeated request and reminders by the Debenture Trustee as well as the representatives of the Debenture Holders, including during several meetings between your and Debenture Holders' representatives, the Company has failed and neglected to redeem the NCDs on respective Redemption Date since April 2018 by not paying the Redemption Amount due on each Redemption

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For BLUE BLENDS (INDIA) LIMITED

DIRECTOR

Date and the default is continuing. Since the Company failed and neglected to redeem the NCDs on the respective Redemption Date and pay the Redemption Amount as per the DTD, the Redemption Amounts are now payable with penal interest @ 2 % per month as agreed under Clause 1.2.2 of Annexure 5 of the DTD

6. Accordingly, all Amounts Due under the NCDs stand accelerated and recalled and as on 30th November 2018, the Amounts Due under the NCDs amounting to **Rs.49,92,00,000 /- (Rupees Forty Nine Crores Ninety Two Lakhs Only)**, as more particularly set out in **Schedule "A"** hereto, is payable by the Company and the above named guarantors, jointly or severally, with further interests and default interest at the contractual rate from 30th November 2018 till actual payment or realization, with all other costs, charges and incidental expenses due and payable thereon.

7. Please note that the guarantees provided by the Corporate Guarantor and the Personal Guarantors vide above mentioned deeds of guarantee, hereby, stand invoked.

8. In view of the above, we hereby, call upon the Company, the Corporate Guarantor and the Personal Guarantors to, jointly and severally, pay to the Debenture Trustee a sum of **Rs.49,92,00,000/- (Rupees Forty Nine Crores Ninety Two Lakhs Only)**, i.e. the Amounts Due as on 30th November 2018, with further interests at the contractual rate from the said date till actual payment or realization, with all other costs, penal/default interest, charges and incidental expenses due and payable thereon, in respect of the NCDs under the DTD read with DTA and other Transaction Documents within a period of **Five (5) days** hereof, failing which the Debenture Trustee/Debenture Holders shall be initiating legal proceedings against the Company, the Corporate Guarantor, the Personal Guarantors and other security providers for recovery of all outstanding Amounts Due, including but not limited to initiating proceedings under the Insolvency & Bankruptcy Code, 2016 against the Company and the Corporate Guarantor and enforcement of all securities charged in favour of the Debenture Trustee/Debenture Holders, at their sole risk as to the costs and consequences thereof, which may please be noted.

9. In the meanwhile, the Company, Corporate Guarantor, and the Personal Guarantors including other security providers are also cautioned to not transfer by way of sale, lease, license or otherwise create any third party right, charge or encumbrance over any of the Mortgaged Assets and other secured assets, as more particularly described in the DTD and other Transaction Documents, and also over their other/personal assets/properties, without the prior written consent of the Debenture Trustee/Debenture Holders

10. Capitalized terms used but not defined herein shall have the meaning ascribed to the term under the DTD.

11. It may also be noted that this notice is issued without prejudice to all other rights and remedies, civil and criminal, available to the Debenture Trustee/Debenture Holders in law or contract or both against the Company, the Corporate Guarantor, the Personal Guarantors and other security providers.

For IDBI Trusteeship Services Limited

Authorised Signatory

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For BLUE BLENDS (INDIA) LIMITED

DIRECTOR

SCHEDULE A

Outstanding Dues – 30th November 2018

Particulars	Rupees
Principal Outstanding	41,75,55,324
Interest Outstanding	6,12,89,345
Premium Outstanding	1,91,20,277
Penal Interest Outstanding	12,35,055
Total Outstanding	49,92,00,000

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For BLUE BLENDS (INDIA) LIMITED

DIRECTOR