

BLUE BLENDS (INDIA) LIMITED

Regd.Off.: JBF House, 2nd Floor, Old Post Office Lane, Kalbadevi Road, Mumbai - 400 002
Tel. 022 - 2208 59 51 / 52

Quarterly Compliance Report on Corporate Governance

Name of the Company : BLUE BLENDS (INDIA) LIMITED
Quarter ending on : 31st March, 2014

| | Particulars | Clause of Listing Agreement | Compliance Status Yes/No | Remarks |
|----|---|-----------------------------|--------------------------|--|
| I. | Board of Directors | 49 I | | |
| | (A) Composition of Board | 49(IA) | Yes | <p>The Board consists of the following Directors:</p> <p>1.Mr.Anand Arya – Chairman & Managing Director 2.Mr.Suraj Dugar – Executive Director 3.Mr.S.K.Tambawalla–Independent Director 4.Mr.K.Parthasarathy–Independent Director 5.Mr.Pujaram Purohit–Independent Director</p> <p>The Board of Directors of the Company has an optimum combination of Executive and Independent Directors with not less than fifty percent of the Board of Directors comprising of Independent Directors. The Chairman of the Company is an Executive Director and half of the Board comprises of Independent Directors.</p> |
| | (B) Non-executive Directors' compensation & disclosures | 49(IB) | Yes | Only sitting fees is being paid to the Non-Executive Directors, required disclosures shall be made in the Annual Report. |
| | (C) Other Provisions as to Board and Committees | 49(IC) | Yes | <p>The Board meetings are held at least four times a year, with a maximum, time gap of four months between any two meetings.</p> <p>During the current quarter from January, 2014 to March, 2014 one Board Meeting was held on 14th February, 2014.</p> <p>None of the Directors of the Company is a member in more than ten committees or chairman of more than five committees across all companies in which he is a Director.</p> |
| | (D) Code of Conduct | 49(ID) | Yes | The Board of Directors has laid down a code of conduct for all board members and senior management of the Company. All the members and senior management personnel have affirmed compliance with the code at the end of the year and the annual report contains a declaration to this effect signed by the CEO. |

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| II | Audit Committee | 49 (II) | | |
| | (A) Qualified & Independent Audit Committee | 49(IIA) | Yes | <p>All members of the Audit Committee are financially literate and at least one member has accounting/related financial management expertise. The Chairman of the Audit Committee is an Independent Director.</p> <p>Presently the Audit Committee consists of the following :</p> <ol style="list-style-type: none"> 1 Mr. S.K.Tambawalla – Chairman 2 Mr. Suraj Dugar – Member 3 Mr. K Parthasarathy – Member 4 Mr. Pujaram Purohit – Member |
| | (B) Meeting of Audit Committee | 49(II B) | Yes | <p>The Audit Committee holds meetings at least four times in a year and not more than four months elapse between two meetings.</p> <p>During the quarter from January, 2014 to March, 2014 one meeting of the Audit Committee was held on 14th February, 2014.</p> |
| | (C) Powers of Audit Committee | 49(II C) | Yes | As per clause 49 (II C) |
| | (D) Role of Audit Committee | 49(II D) | Yes | As per clause 49 (II D) |
| | (E) Review of Information by Audit Committee | 49(II E) | Yes | As per clause 49 (II E) |
| III | Subsidiary Companies | 49 (III) | Yes | One Independent Director on the board of the holding company has been appointed as Director on the board of the subsidiary Company namely, Bindal Synthetics Private Limited. |
| IV | Disclosures | 49(IV) | | |
| | (A) Basis of related party transactions | 49(IV A) | Yes | <p>A statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the audit committee. Details of material individual transactions with related parties which, are not in the normal course of business is placed before the audit Committee whenever applicable. Details of material individual transactions with related parties or others, if any, which are not on an arm's length basis shall be placed before the audit committee, together with Management's justification for the same being given in the Annual Report.</p> |
| | (B) Disclosure of Accounting Treatment | 49(IV B) | Yes | Where in the preparation of financial statements, a treatment different from that prescribed in an Accounting Standard would be followed, the fact shall be disclosed in the financial statements. |

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| | (C) Board Disclosures | 49 (IV C) | Yes | --- |
| | (D) Proceeds from public issues, rights issues, preferential issues etc. | 49(IV D) | Not Applicable | --- |
| | (E) Remuneration of Directors | 49(IV E) | Yes | The Remuneration Committee consists of the following : 1. Mr. S.K..Tambawalla - Chairman 2. Mr. K..Parthasarathy - Member 3. Mr. Pujaram Purohit - Member Other disclosures with regard to Remuneration to Directors shall be made in the Annual Report for the year 2013-2014. |
| | (F) Management | 49(IV F) | Yes | Management discussion and analysis report shall be given in the Annual Report for the year ended 31 st March, 2014. |
| | (G) Shareholders | 49(IV G) | Yes | To be complied in Annual Report of the Company for the year ended 31 st March, 2014. |
| V | CEO/CFO Certification | 49 (V) | Yes | To be complied in Annual Report of the Company for the year 2013-2014. |
| VI | Report on Corporate Governance | 49 (VI) | Yes | A separate section on Corporate Governance shall be given in Annual Report for the year 2013-2014. |
| VII | Compliance | 49 (VII) | Yes | A certificate from the Auditors regarding compliance of conditions of Corporate Governance shall be given in the Annual Report of 2013-2014. |

For BLUE BLENDS (INDIA) LIMITED


SURAJ DUGAR
COMPLIANCE OFFICER