

BLUE PEARL TEXSPIN LIMITED

(FORMERLY KNOWN AS E-WHA FOAM INDIA LIMITED)

Regd Off: Office No. 32, Vyapar Bhavan, 49, P.D. Mello Road, Mumbai -400 009, Maharashtra.

CIN -L36104MH1992PLC069447 Tel -022 32997884 Fax 23487884

Email: bluepearltextspin@gmail.com Website: www.bluepearltextspin.com

POSTAL BALLOT FORM

Serial No - ()

1	Name(s) of the Shareholder(s) including joint shareholder(s), if any	
2	Registered Address of the sole/first named shareholder	
3	Registered folio No./ DP & Client ID No.* (*Applicable to investors holding shares in dematerialized form)	
4	No. of Shares held	
5	PAN/Sequence No.	

I/we hereby exercise my/our vote(s) in respect of the Special Resolution set out in the Notice dated Monday, December 7, 2015 to be passed by means of Postal Ballot by conveying my/ our assent/ dissent to the said resolution by placing the tick (✓) mark at the appropriate box below (tick in both boxes will render the ballot invalid).

Item No.	Brief description of the Special Resolution	No. of shares held by me	I / We assent to the Resolution (For)	I / We dissent to the Resolution (Against)
1	Reduction of the paid-up Equity Share Capital of the Company.			
2	Appointment of Mr. Shrikrishna Baburam Pandey as Executive Director of the Company for the term of five years.			

Email Id : _____

(Company may use this email Id for future communication)

Mobile No. : _____

Place : _____

Date : _____

(Signature of shareholder)

Note: Please read the instructions printed overleaf carefully before executing your vote

ADDITIONAL INSTRUCTIONS FOR PHYSICAL BALLOT VOTING

1. A shareholder desiring to exercise his/her/its vote by Postal Ballot ("**PB**") may complete the Postal Ballot Form ("**PBF**") (a photocopy is permitted to be used for the purpose) and send it to the Scrutinizer in the attached postage pre-paid self-addressed envelope. Postage will be borne and paid by the Company. However, envelopes containing duly completed and signed PBF, if deposited in person or sent by courier at the expense of the member will also be accepted.
2. The self-addressed envelope bears the address of the Scrutinizer appointed by the Board of directors of the Company.
3. There will be one PBF for every folio/ client id irrespective of number of joint holders.
4. The PB shall not be exercised by a Proxy.
5. The votes should be cast either in favor or against by putting tick mark in the column provided for assent or dissent. PBF bearing tick marks in both the columns will render the form invalid.
6. Voting will be considered invalid and rejected on the grounds which shall include:
 - a. If the member's signature on PBF does not tally with the specimen signature registered with the RTA/Company.
 - b. If the member has marked all his shares both in favor and also against the resolution.
 - c. If the PBF is unsigned.
 - d. If the Ballot paper is received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the name of member or number of votes or as to whether the votes are in favour or against or if the signature could not be checked on one or more of the above grounds.
7. The Scrutinizer's decision on the validity of a PBF will be final.
8. The PBF should be duly completed and signed by the shareholder. In case of joint shareholding, this form should be completed and signed (as per specimen signature registered with the Registrar and Share Transfer Agent (RTA)/Company) by the first named shareholder and in his/her absence, by the next named shareholder. A shareholder may sign the PBF through an Attorney, in which case a copy of the Power of Attorney should be enclosed with the PBF.
9. In case of shares held by companies, trusts, societies etc. the duly completed PBF should be accompanied by a certified true copy of the relevant Board Resolution/Authority Letter.
10. Duly completed and signed PBF should reach the Scrutinizer not later than the close of working hours i.e. 5.00 p.m. on Saturday, January 9, 2016. Any PBF received after the aforesaid date will be treated as if the reply from such shareholder(s) has not been received.
11. Members are requested not to send any other paper along with the PBF in the enclosed self addressed envelope (except the Board Resolution/Authority Letter specified in instruction 9 above) as all envelopes will be sent to the Scrutinizer and any extraneous papers found in such envelope would be destroyed by the Scrutinizer.
12. A member may request for a duplicate PBF, if so required. However, the duly filled in duplicate PBF should also reach to the Scrutinizer not later than the date specified in instruction 10 above.
13. Voting rights shall be reckoned on the paid up value of shares registered in the name(s) of the shareholder(s) / Beneficial Owner(s) as on Friday, December 4, 2015.
14. The Scrutinizer will submit his report to the Chairman or any other Director of the Company after completion of the scrutiny and the result of the voting of the Postal Ballot/E-voting will be announced on or before Tuesday, January 12, 2016 at the Registered Office of the Company. The result will thereafter also be informed to the Stock Exchanges, hosted on the Company's website www.bluepearltexspin.com and published in news papers for the information of the Members.
15. The date of declaration of the results of Postal Ballot/E-voting shall be taken to be the date of passing of the resolution.
16. Members have option to vote either through e-voting process or PBF. If a member has opted for e-voting, then he/she should not vote by PB also and vice-a-versa. However in a case members who cast their vote via physical ballot and e-voting both, then voting through e-voting shall prevail and voting done by PB shall be treated as invalid.
17. Members who hold shares in dematerialized form and opt to vote by PB are advised to get their signatures verified by their banker/depository participant (DP). Signatures should be verified by the Manager of the concerned Banker/DP by affixing a rubber stamp/seal mentioning name and address of the Banker/DP and name, stamp and signature of the Manager.
18. All postal ballot form shall be delivered on or before Saturday, January 9, 2016 at the address appearing in reply paid envelope/ self-addressed envelope.

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BLUE PEARL TEXSPIN LIMITED

(FORMERLY KNOWN AS E-WHA FOAM INDIA LIMITED)

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CIN -L36104MH1992PLC069447 Tel -022 32997884 Fax 23487884

Email: bluepearltextspin@gmail.com Website: www.bluepearltextspin.com

NOTICE OF POSTAL BALLOT

**(Pursuant to Section 110 of The Companies Act, 2013 And Companies
(Management and Administration) Rules, 2014)**

Notice is hereby given to the Members of BLUE PEARL TEXSPIN LIMITED ("the Company) formerly known as E-WHA FOAM INDIA LIMITED, pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, to pass the proposed resolutions set out below by way of Postal Ballot.

Your consideration and approval is sought for the resolutions annexed herewith. The proposed resolutions, explanatory statement setting out the material facts and reasons thereto, a physical Postal Ballot form and a self-addressed postage pre-paid envelope are being sent to you for your consideration.

Mr. Hemant Shetye, Partner of M/s. HS ASSOCIATES (Practicing Company Secretary) has been appointed by Postal Ballot committee of the Board of Directors of your Company as "the Scrutinizer" for conducting Postal Ballot process in fair and transparent manner.

In compliance with the SEBI Circular dated 4th February, 2013 and 21st May, 2013, the Company is also providing e-voting facility to vote electronically to the resolutions set out below.

The Scrutinizer will submit the report to the Chairman upon completion of the process of Postal Ballot & E-voting and the results of the Postal Ballot & E-voting will be declared on Tuesday, January 12, 2016 at the registered office of the Company. The results will be posted on the Company's website www.bluepearltextspin.com besides communicating to the BSE Limited. The results of the Postal Ballot & E-voting shall also be published in newspapers.

Special Business:

1. Reduction of the Paid-Up Equity Share Capital of the Company:

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Article 10 of the Articles of Association of the Company, Section 100 to 104 and such other applicable provisions of the Companies Act, 1956, subject to the sanctions and approvals of the appropriate authorities as may be required, subject to the confirmation by the Hon'ble High Court of Bombay and subject to such terms, conditions or modifications if any, as may be prescribed by such authorities while granting such approvals, the shareholders of the Company be and hereby approve the reduction of the subscribed and paid up equity share capital of the Company from 5120000 Equity Shares of Rs. 10/- Each aggregating to Rs. 5,12,00,000/- (Rupees Five Crores Twelve Lacs) to Rs. 25,60,000/- (consisting of 256000 issued, subscribed and paid-up equity shares of Rs. 10/- each fully paid up) and

cancelled equity share capital amounting to Rs. 4,86,40,000/- (Rupees Four Crores Eighty Six Lacs Forty Thousand Only) shall be utilized to write off the debit balance in the profit and Loss Account of the Company.”

“**RESOLVED FURTHER THAT** after the reduction of capital, the aggregate subscribed and paid up share capital of the Company reduced to Rs. 25,60,000/- (consisting of 256000 issued, subscribed and paid-up equity shares of Rs. 10/- each fully paid up).”

“**RESOLVED FURTHER THAT** consequential amendments be made in the capital clause of the Memorandum of Association and the Articles of Association of the Company after the said reduction becomes operative and effective.”

“**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, deeds, matters and things as they may at their absolute discretion deem necessary or desirable for effectively implementation of the resolution and to settle any questions, difficulties or doubts that may arise in this regard as they may in their absolute discretion deem fit.”

2. Appointment of Mr. Shrikrishna Baburam Pandey as Executive Director of the Company for the term of five years:

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, schedule V of the Companies Act, 2013 (corresponding to sections 198, 269, 309, of the Companies Act, 1956, Schedule XIII of the Companies Act, 1956 and any other applicable provisions of the Companies Act, 2013, if any, and the rules made there under (including any statutory modifications or re-enactment thereof for the time being in force) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), (hereinafter referred to as “the said Act”) the consent of the Company is hereby accorded to the appointment of Mr. Shrikrishna Baburam Pandey (DIN- 07035767) as an “Executive Director” of the Company with effect from 13th November, 2014 under the Articles of Association of the Company, as the “Executive Director” of the Company for a period of 5 years, as terms and conditions placed before the Board and initialed by the Chairman for the purpose of identification is placed before the meeting, and the Board of Directors be and is hereby authorized to alter and vary such terms of appointment as may be agreed by the Board of Directors and Mr. Shrikrishna Baburam Pandey (DIN- 07035767).”

“**RESOLVED FURTHER THAT** the Board hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**By Order of the Board of Directors
For Blue Pearl Texspin Limited
(Formerly known as “E-Wha Foam India
Limited”)**

Date: 07.12.2015

Place: Mumbai

Arun Kumar Sharma

Director

DIN-00369461

Notes:

- a) Explanatory Statement and reasons for the proposed special business mentioned above pursuant to Section 102 of the Companies Act, 2013 setting out the material facts are appended herein below.
- b) In accordance with the Circular No. CIR/CFD/DIL/5/2013 dated 4th February, 2013 read with Circular No: CIR/CFD /DIL/8/2013 dated 21st May, 2013 issued by SEBI, the Complaints Report and Observations Letter of the Stock Exchanges are enclosed herewith.
- c) The Postal Ballot Form together with self-addressed postage pre-paid Business Reply Envelope is enclosed for use of the Member(s).
- d) Fairness opinion report submitted by M/s. Corporate Allianz Private Limited, Merchant Bankers are enclosed herewith.
- e) The scheme of reduction of share capital which has been approved by Board of Directors of the Company, is enclosed herewith.
- f) The notice is being sent to all members by post or through electronic means, whose names appear in the register of members as on Friday, December 4, 2015.
- g) The members eligible to vote by Postal Ballot and E-voting may cast their vote accordingly in terms of the Notice issued and in accordance with the Law. The result of the Postal Ballot and E-voting will be announced by the Company on Tuesday, January 12, 2016, by placing the same along with the scrutinizers report at the registered office and on the website of the Company i.e www.bluepearltexspin.com for information of the members, besides being communicated to BSE wherein the shares of the Company is listed.
- h) The Company has engaged Central Depository Services (India) Limited ("CDSL") to provide e-voting facilities to the Equity Shareholders of the Company. If an Equity Shareholder has voted through e-voting facility, he is not required to send the Postal Ballot Form.
- i) The copies of the following documents will be open for inspection at the Registered office of the Company on all working days (Monday to Friday between 11:00 AM to 1:00 PM) till the declaration of results.
 - Memorandum of Association and Articles of Association of the Company.
 - The audited balance sheet and profit and loss account for the year ended 31st March, 2015.
 - Complaints Report submitted by the Company with the Stock Exchanges.
 - Valuation report submitted by M/s. AMAR & Associates, Independent Chartered Accountant.
 - Fairness opinion submitted by M/s. Corporate Allianz Private Limited, Merchant Bankers.
 - Copies of the observation letters dated October 8, 2015 of BSE Limited granting no-objection to the scheme of capital reduction.

j) **POSTAL BALLOT**

The shareholders desiring to exercise their votes by physical postal ballot are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted. They are also requested to read carefully the instructions printed overleaf of the Postal Ballot Form and return the Postal Ballot Form duly completed in the enclosed self-addressed, postage pre-paid envelope so as to reach the Scrutinizer on or before the close of working hours i.e. 5.00 p.m. IST on Saturday, January 9, 2016. Postal Ballot Forms or electronic votes received after this date will be considered

invalid. The Scrutinizer will submit his report on the completion of the scrutiny to the Chairman. The results shall be announced by the Company on Tuesday, January 12, 2016 and displayed on the Notice Board at the registered office of the Company. The results of the postal ballot will be communicated to the Stock Exchanges where your Company's shares are listed and shall be published through public notice in newspapers.

PROCESS AND MANNER FOR MEMBERS OPTING FOR PHYSICAL VOTING

- a. A Member desirous of exercising his/her vote by Postal Ballot may complete the Postal Ballot Form (no other form or photocopy thereof is permitted) and send it to the scrutinizers, Mr. Hemant Shetye, HS Associates, practicing company secretaries in the attached self-addressed postage pre-paid Business Reply Envelope on or before 5.00 p.m. IST on Saturday, January 9, 2016.
- b. The postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Form(s), if sent by courier or registered/speed post at the expense of the Member(s) will also be accepted.
- c. The self-addressed postage pre-paid Business Reply Envelope is addressed to the Scrutinizer appointed by the Board of Directors of the Company.
- d. The Postal Ballot Form should be completed and signed by the Member (as per the specimen signature registered with the Company/ DP. In case of joint holding, the postal ballot form should be completed and signed by the first name member and in his/her absence by the next named Member. In case, if the Postal Ballot Form is signed through a delegate, a copy of power of attorney attested by the Member should be annexed to the Postal Ballot Form.
- e. The consent must be accorded by recording the assent in the Column "FOR" and dissent in the Column "AGAINST" by placing a tick mark (✓) in the appropriate column.
- f. There will be only one Postal Ballot Form for each Folio/Client ID irrespective of the number of joint Member(s).
- g. In case of shares held by companies, trusts, societies, etc. the duly completed postal ballot form should be accompanied by a certified true copy of the Board Resolution/ Authority Letter.
- h. The duly completed Postal Ballot Form should reach the Scrutinizer not later than the last date of receipt of Postal Ballot Form i.e Saturday, January 9, 2016.
- i. Member(s) are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed postage pre-paid Business Reply Envelope, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope will be destroyed by the Scrutinizer.
- j. A Member need not use all the votes, nor need to cast all the votes in the same way.
- k. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected.
- l. Member(s) cannot appoint a proxy to exercise their voting powers through Postal Ballot.

k) E-VOTING

In compliance with the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended from time to time and Clause 35B of the Equity Listing Agreement, the Company is pleased to offer e-voting facility as an alternative, for all its Members to enable them to cast their votes electronically apart from dispatching the Postal Ballot Forms. E-voting is optional. Member(s) can opt only for one mode of voting. If a Member has opted for e-voting, then he/ she should not vote by Postal Ballot also and vice-versa. However, in case Members cast their

vote both via Physical Ballot and e-voting, then voting through Physical Ballot shall prevail and voting done by e-voting shall be treated as invalid, notwithstanding whichever is cast first.

In case a Member desires to exercise his/her vote by using e-voting facility, and then the Member has to carefully follow the instructions given for e-voting. He/she can use the facility and log in any number of times till he/ she had voted on the Resolution.

PROCEDURE AND INSTRUCTIONS FOR E-VOTING

1. The voting period begins on Friday, December 11, 2015 and ends on Saturday, January 9, 2016. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut off date (record date) of Friday, December 4, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. The shareholders should log on to the e-voting website www.evotingindia.com.
3. Click on Shareholders.
4. Now Enter your User ID
 - a. for CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
5. next enter the image verification as displayed and click on login
6. 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.
7. If you are a first time user follow the steps given below

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • 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 last 8 digits of the demat account/folio number in the PAN field. • In case the folio 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 folio number 100 then enter RA00000100 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#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ol style="list-style-type: none"> a. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut-off date in the Dividend Bank details field.

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

9. Members holding shares in physical form will then reach directly 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.
10. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
11. Click on relevant **EVSN of Blue Pearl Texspin Limited** on which you choose to vote.
12. 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.
13. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
14. 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.
15. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
16. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
17. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
18. Note for Non – Individual Shareholders and Custodians
 - Non individual shareholders (i.e other than individuals, HUF, NRI, etc.) and custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the registration form bearing the stamp and sign of the entity should be entitled to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The compliance user 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.
19. 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
 - l) The Scrutinizer will submit his report to the Chairman after completion of the scrutiny and results of the Postal Ballot would be announced on Tuesday, January 12, 2016 and the resolution will be taken as passed effectively on the date of announcement of results by the Company, if results of the Postal Ballot indicates that the requisite majority of the Members as required vide SEBI Circulars had assented to the resolution.

The scrutinizers decisions on the validity of the postal ballot shall be final. As indicated earlier, the results of the postal ballot will be published on the website of the Company i.e

www.bluepearltextspin.com and at the website of CDSL i.e www. Cdslindia.com besides being notified to BSE, wherein the Company's shares are listed. The results shall also be published in newspapers.

- m) All the material documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the members at the registered office of the Company during the office hours on all working days between 10.00 a.m. IST to 5.00 p.m. IST upto Saturday, January 9, 2016.
- n) Members are requested to carefully read the instructions printed on the Postal Ballot Form before exercising their vote on the resolutions.

**By Order of the Board of Directors
For Blue Pearl Textspin Limited
(Formerly known as "E-Wha Foam India
Limited")**

Date: 07.12.2015

Place: Mumbai

Arun Kumar Sharma

Director

DIN-00369461

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

In conformity with the provisions of Section 102 of the Companies Act, 2013, following Explanatory Statement sets out all material facts relating to the Special Business mentioned.

For ITEM NO. 1:

The Board of Directors of the Company in their Board Meeting dated 15th April, 2015, approved the draft scheme of reduction of the share capital of the Company from 51,20,000 Equity Shares of Rs. 10/- Each aggregating to Rs. 5,12,00,000/- (Rupees Five Crores Twelve Lacs) to Rs. 25,60,000/- (consisting of 256000 issued, subscribed and paid-up equity shares of Rs. 10/- each fully paid up). the Company has further submitted application with the BSE for its in principal approval and subsequently received its observation letter dated October 8, 2015.

No-Objection/ Observation Letter from the Stock Exchange:

In-terms of Clause 24(f) of the Listing Agreement, the Company obtained No-objection/Observation Letter to the reduction of capital from BSE Limited vide their letters dated October 8, 2015.

Capital Structure and shareholding pattern of the Company:

The capital structure and shareholding pattern of the Company pre reduction of capital as on 31.03.2014 and post reduction of capital are as follows:

Capital structure

Particulars	Prior capital to the Scheme of arrangement as on 31.03.2014 (audited)	Reduction of capital against "accumulated loss" as per Scheme
Number of equity shares	5120000	256000
Value of each shares	Rs. 10/-	Rs. 10/-
Total paid up share capital	Rs. 5,12,00,000/-	Rs. 25,60,000/-

Shareholding pattern

particulars	Prior to the scheme		Post implementation of scheme	
	No. of shares (Rs. 10/- each)	% of total	No. of shares (Rs. 10/- each)	% of total
Promoters and promoters group	1343180	26.23	67161	26.23
Institutions/ mutual funds/banks etc	14700	0.29	735	0.29
NRI	241900	4.72	12095	4.72
Bodies corporate	97100	1.90	4855	1.90
Any other(individuals etc)	3423120	66.86	171154	66.86
Total	5120000	100	256000	100

Fairness opinion report from Merchant Banker:

The Company has obtained fairness opinion report for the scheme of reduction of share capital of the Company. Blue Pearl Texspin Limited dated April 15, 2015.

The registered office of the Company is situated in Mumbai, Maharashtra State, therefore the Company would file an application for the approval of the reduction of capital before the Hon'ble High Court of Bombay on passing the Special Resolution.

The Company shall file a certified copy of the order of the Hon'ble High Court sanctioning the scheme of capital reduction with the Registrar of Companies, Mumbai.

A record date will be fixed, subject to the approval by the Stock Exchanges, for the purpose of returning the amount, in proportion to the shares held by the members as on the record date.

The Board of Directors of the Company recommends to the shareholders for passing the proposed special resolution.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in any way in the proposed resolution, except to the extent of their shareholding in the Company.

For ITEM NO. 2:

As recommended by the Remuneration Committee and approved by the Board of Directors of the Company, at its meeting held on 13th November, 2014 Mr. Shrikrishna Baburam Pandey (DIN- 07035767) was appointed as an Executive Director of the Company for a period of Five (5) years with effect from 13th November, 2014 to 12th November, 2019 without remuneration at present. However he may withdraw such remuneration, perquisites and benefits subject to the approval of the members.

The terms & Conditions proposed to be entered into by the Company with Mr. Shrikrishna Baburam Pandey (DIN- 07035767), in respect of re-appointment, inter alia, contains the following terms and conditions:

Major terms of remuneration of Mr. Shrikrishna Baburam Pandey, Executive Director.

1.	Name & Designation of Director	:	Mr. Shrikrishna Baburam Pandey, Executive Director.
2.	Date of Appointment	:	Appointed w.e.f 13 th November, 2014
3.	Period	:	5 years.
4.	Salary (p.m.)	:	At present no such remuneration will be payable, however he may withdraw <u>such remuneration</u> , perquisites and benefits subject to the approval of the members.
5.	Minimum Remuneration	:	In the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to Mr. Shrikrishna Baburam Pandey by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Mr. Shrikrishna Baburam Pandey shall be the maximum amount permitted as per Schedule V, as amended from time to time.

The Executive Director shall not be paid any sitting fee for attending the meetings of the Board of Director or committee thereof.

The Executive Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the company.

In view of the provisions of Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956), the Board recommends the Special Resolution set out at item no. 2 of the accompanying Notice for the approval of the Members.

Copy of the Terms and conditions referred to in the Resolution would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working days.

Except Mr. Shrikrishna Baburam Pandey Director (being appointee) of the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 2.

This Explanatory Statement together with the accompanying Notice may also be regarded as an abstract and memorandum under Section 190 of the Companies Act, 2013 and as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

**By Order of the Board of Directors
For Blue Pearl Texspin Limited
(Formerly known as "E-Wha Foam India Limited")**

Date: 07.12.2015
Place: Mumbai

Arun Kumar Sharma
Director
DIN-00369461

BLUE PEARL TEXSPIN LIMITED

(FORMERLY KNOWN AS E-WHA FOAM INDIA LIMITED)

Regd Off: Office No. 32, Vyapar Bhavan, 49, P.D. Mello Road, Mumbai -400 009, Maharashtra.

CIN -L36104MH1992PLC069447

Tel -022 32997884 Fax 23487884

Email: bluepearltextspin@gmail.com Website: www.bluepearltextspin.com

Date: 27.07.2015

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001.

Subject:- Submission of Compliant Report.

Ref: - In Principle Application for Approval under Clause 24(f) of the Listing Agreement, for the scheme of Reduction of Share Capital of Blue Pearl Texspin Limited (Formerly known as E-Wha Foam India Limited) under Section 100 to 105 and other applicable provisions, if any of the Companies Act, 1956 (or any amendment thereof).

Name of the Company: - Blue Pearl Texspin Limited (Formerly known as E-Wha Foam India Limited)

BSE Scrip Code: - 514440

Dear Sir/Madam,

With reference to the above mentioned application and in terms of SEBI Circular No.CIR/CFD/DIL/5/2013 dated February 4, 2013; please find enclosed herewith "Complaints Report" as on 25th July, 2015 i.e. 21 days from the date when Designated Stock Exchange-BSE and the Company uploaded the Draft Scheme along with supporting documents on their website (i.e. 03rd July 2015).

Kindly note that neither the Company (on SCORES) nor its Share Transfer Agents (viz. System Support Services) nor the Stock Exchange (BSE) has received any compliant on the subject matter, hence we are submitting NIL Complaints Report.

We now request you to process our application further.

**FOR AND ON BEHALF OF BLUE PEARL TEXSPIN LIMITED
(FORMERLY KNOWN AS E-WHA FOAM INDIA LIMITED)**



ARUN KUMAR SHARMA
DIRECTOR
DIN- 00369461

Encl: Compliant Report

BLUE PEARL TEXSPIN LIMITED

(FORMERLY KNOWN AS E-WHA FOAM INDIA LIMITED)

Regd Off: Office No. 32, Vyapar Bhavan, 49, P.D. Mello Road, Mumbai -400 009, Maharashtra.

CIN -L36104MH1992PLC069447

Tel -022 32997884 Fax 23487884

Email: bluepearltexspin@gmail.com Website: www.bluepearltexspin.com

Format for Complaints Report:

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	NA
5.	Number of complaints pending	NA

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved /Pending)
NOT APPLICABLE			

FOR AND ON BEHALF OF BLUE PEARL TEXSPIN LIMITED
(FORMERLY KNOWN AS E-WHA FOAM INDIA LIMITED)


ARUN KUMAR SHARMA
DIRECTOR
DIN- 00369461



DCS/AMAL/KS/24(f)/182/2015-16

October 8, 2015

The Company Secretary,
Blue Pearl Texspin Ltd.
32, Ground Floor, Vyapar Bhavan,
P. D. Mello Road,
Masjid Bunder (E),
Mumbai, Maharashtra, 400009

Sub: Observation letter regarding the Draft Scheme of Reduction of Capital of Blue Pearl Texspin Ltd.

We are in receipt of Draft Scheme of Reduction of capital Blue Pearl Texspin Ltd.

As required under SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI vide its letter October 6, 2015 has inter alia given the following comment(s) on the draft scheme of arrangement:

- ***"Company shall duly comply with various provisions of the Circulars."***

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- The Company shall duly comply with provisions of Circulars

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble High Court.

Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

- a. Copy of the High Court approved Scheme;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- d. Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
- e. Status of compliance with the Observation Letter/s of the stock exchanges;
- f. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable;
- g. Complaints Report as per Annexure II of this Circular.
- h. Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,



Nitin Pujari
Manager



Pooja Sanghvi
Asst. Manager

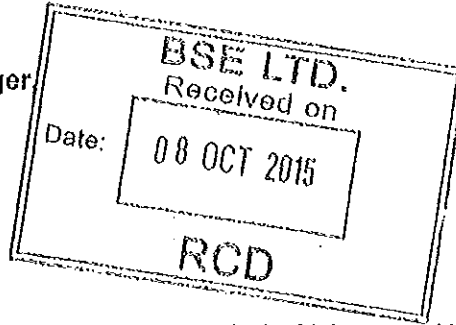


Deputy General Manager
Corporation Finance Department
Division of Issues and Listing-I
Phone: +91 22 2644 9664
Fax: +91 22 2644 9022. Email: sanjay@sebi.gov.in

2015-6/03 भारतीय प्रतिभूति
और विनियम बोर्ड
Securities and Exchange
Board of India

CFD/DIL/BNS/SGS/OW/28268/2015
October 06, 2015

Shri Hitesh Desai,
Deputy General Manager,
BSE Ltd.,
Floor 25, P J Towers,
Dalal Street,
Mumbai - 400001.



Mw. K. Bhatnagar
Rep: 16/10/15

Dear Sir,

Sub: Draft Scheme of Reduction of Capital of Blue Pearl Texspin Limited.

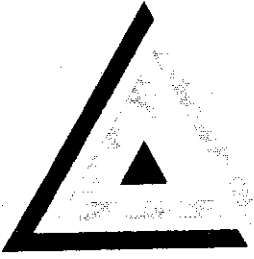
1. This has reference to your letter No. LIST/LO/SEBI/KS/029/2015-16 dated July 03, 2015 whereby you have forwarded the application of Draft Scheme of Arrangement Involving Reduction of Capital of Blue Pearl Texspin Limited filed in accordance with SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 and SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 (hereinafter referred to as 'the Circulars') for our comments on the draft Scheme of Arrangement (hereinafter referred to as 'draft Scheme').
2. The matter has been examined by SEBI in the light of the provisions the Circulars and has no adverse comments to offer. However,
 - a. The stock exchange may ensure compliance with the said Circulars.
 - b. The company shall duly comply with various provisions of the Circulars.
3. Please note that the submission of documents/information in accordance with the Circulars to SEBI should not in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

Yours faithfully,

Sanjay Sarwade

3

**CORPORATE
STRATEGIC
ALLIANZ
LTD.**



SE BI Regd. Categorist Merchant Banker

April 15, 2015

To,
The Board of Directors
BLUE PEARL TEXSPIN LIMITED
32, Vyapar Bhavan, 49, P.D. Mello Road,
Mumbai-400009, Maharashtra

Sub: Fairness opinion on the valuation report for the scheme of arrangement of Blue Pearl Texspin Limited (,BPTL»)

Dear Sir,

We refer to our engagement letter dated March 14, 2015 with Blue Pearl Texspin Limited, wherein BPTL has requested us to provide fairness opinion on the valuation report of A M A R & Associates for scheme of arrangement between BPTL and their shareholders and creditors.

We enclose herewith our Fairness opinion on the Valuation report by A M A R & Associates, Chartered Accountants (Firm Registration No. 137401W, Membership No. 149137) having its head office at Office No. IA, 2nd Flr, Meera Bhavan, 98/104 Caval Street, Opp Parsi Agiyary, Dadiseth, Agiyary Lane, kalbadevi, Mumbai 02 Contact: +91 - 022 - 66369940 Mobile 9022897498/7276369225/9920217228/9819186184.


We hereby give our consent to present and disclose the Fairness Opinion to the Shareholders, Stock Exchanges, High Court, Registrar of Companies, Regulatory authorities etc.

We highly appreciate the co-operation and support received by us from your representatives during preparation of the said Report.

Thanking you,

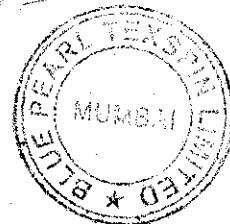
Yours faithfully

For Corporate Strategic Allianz Limited


Devendra Shah
(Managing Director)







402, Samedh Complex, Nr. Associated Petrol Pump, C. G. Road, Ahmedabad-380006. Gujarat, India.

Telefax : +91 79 26424138 Telefax : + 91 79 40024670

Email : info@csapl.com, mbd@csapl.com • Website : www.csapl.com

CIN NO. U74140GJ2006PLC048053

1. BACKGROUND OF THE COMPANY

Blue Pearl Texspin Limited

Blue Pearl Texspin (hereinafter referred to as Blue Pearl Texspin Limited or Company or BPTL), a listed public limited company having registered office at 32, Vyapar Bhavan, 49, P.D. Mello Road, Mumbai-400009, Maharashtra. The shares of the Company are listed as Bombay Stock Exchange (BSE).

M/s. Blue Pearl Texspin Limited was originally incorporated in name of E-Wha Foam India Limited on November 06, 1992 with the Registrar of Companies, Maharashtra, Mumbai under the Companies Act, 1956 and on November 08, 2012 name of the company changed to Blue Pearl Texspin Limited. The company has total accumulated losses of the tune of Rs 5,21,32,671.

2. SCOPE AND PURPOSE OF THIS REPORT

1. We understand that the Board of Directors of BPTL wish to set-off the losses incurred by the Company by way of undertaking the corporate restructuring exercise wherein the equity shares capital would be utilized / adjusted against the losses in Statement of Profit & Loss.
2. In this connection, the management of BPTL has engaged Corporate Strategic Allianz Limited to submit a Fairness opinion on the Valuation Report of A M A R & Associates Chartered Accountants, for the scheme of arrangement of Blue Pearl Texspin Limited the Scheme of Arrangement as per the requirements of listing agreement entered by BPTL with BSE Limited. Our scope of work includes commenting only on the fairness of the valuation report of A M A R & Associates Chartered Accountants.
3. This report has been issued only for the purpose of facilitating the Scheme of Arrangement of BPTL and should not be used for any other purpose.
4. Our Opinion and analysis is limited to the extent of review of documents as provided to us by BPTL. We have relied upon the accuracy and completeness of all information and documents provided to us, without carrying out any due diligence or independent verification or validation of such information to establish its accuracy or sufficiency. We have not reviewed any financial forecasts relating to BPTL. We have not conducted any independent valuation or appraisal of any of the assets or liabilities of BPTL. In particular, we do not express any opinion as to the value of any asset of BPTL, its subsidiaries, whether at current prices or in the future.
5. We do not express any opinion as to the price at which shares of BPTL may trade at any time, including subsequent to the date of this opinion. In rendering our opinion, we have assumed, that the Scheme of Arrangement will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or third party approvals for the Scheme of Arrangement, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on BPTL and its subsidiaries and respective shareholders.
6. We do not express any opinion as to any tax or other consequences that might arise from the Scheme of Arrangement of BPTL, nor does our opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the Company has obtained such advice as it deemed necessary from qualified professionals.
7. We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof. Our opinion is specific to the arrangement as contemplated in the Scheme of Arrangement provided to us and is not valid for any other purpose.
8. We have in the past provided, and may currently or in the future provide, investment banking services to BPTL and / or its subsidiaries or their respective affiliates that are unrelated to the proposed Scheme of Arrangement, for which services we have received or may receive customary fees. In addition, in the ordinary course of their respective businesses, affiliates of CSAL may actively trade in the securities of BPTL or its subsidiaries or group companies or for their own accounts and for the accounts of their customers and, accordingly, may at any time hold a position in such securities. Our engagement and the opinion expressed herein are for the use of the Board of Directors of BPTL in connection with the

402, Samedh Complex, Nr. Associated Petrol Pump, C.G. Road, Ahmedabad-380 006. Gujarat, India.

Tele No. : +91 79 26424138 Telefax : +91 79 40024670

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Continue Sheet

consideration of the Scheme of Arrangement and for none other. Neither CSAL, nor its affiliates, partners, directors, shareholders, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the information and documents provided to us, based on which the opinion' has been issued. All such parties and entities expressly disclaim any and all liability for, or based on or relating to any such information contained therein.

9. Our opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with the Scheme of Arrangement, if required or any matter related thereto.

3. SOURCES OF INFORMATION

We have relied on the following information for framing our opinion on the fairness of the Scheme of Arrangement:

- A. Draft Scheme of Arrangement of BPTL.
- B. Audited financials of BPTL for financial and 2013-14.
- C. Valuation Report of A M A R & Associates, Chartered Accountants (Firm Registration No. 137401W, Membership No. 149137) having its head office at Office No. 1A, 2nd Flr, Meera Bhavan, 98/104 Caval Street, Opp Parsi Agiyary, Dadiseth, Agiyary Lane, kalbadevi, Mumbai 02 Contact: +91 - 022 - 66369940 Mobile 9022897498/7276369225.
- D. Other relevant information regarding BPTL.

4. RATIONALE AND KEY FEATURES OF THE SCHEME OF ARRANGEMENT

4.1. The key features of Scheme of Arrangement are as follows:

- 4.2. The company has total accumulated losses of the tune of Rs 5,21,32,671. Upon the scheme coming into effect, Net Accumulated losses of Rs. 4,86,40,000/- (Rupees Four Crore Eighty Six Lakh Forty Thousand only) of the Company is sought to be set off against the issued, subscribed and paid up share capital of the Company and shall be reduced by cancelling a sum of Rs. 9.5/- from every paid up shares of Rs. 10/- each and thereafter consolidating 1 equity shares of Rs. 10/- each as fully paid up capital in the Company i.e. after reduction the capital of the Company will be 2,56,000 fully paid up equity shares of Rs. 10/- each aggregating to Rs. 25,60,000/- with effect from the appointed date which would result in Reserves and Surplus will stand at negative Rs 34,92,671.
- 4.3. The adjustment /set off of would not have any impact on the shareholding pattern, and the capital structure of the Company. The Scheme does not involve any cash outflow and therefore, would not affect the ability or liquidity of the Company to meet its obligations/ commitments in the normal course of business.

5. OPINION

On the basis of our Scope and Limitations mentioned in this report and considering the Rationale of the Scheme of Arrangement, the Scheme of Arrangement of BPTL, in our opinion is fair.





402, Samedh Complex, Nr. Associated Petrol Pump, C.G. Road, Ahmedabad-380 006. Gujarat, India.

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DRAFT SCHEME OF REDUCTION OF CAPITAL
BETWEEN
BLUE PEARL TEXSPIN LIMITED
(FORMERLY KNOWN AS E-WHA FOAM INDIA LIMITED)
AND
ITS SHAREHOLDERS
UNDER SECTIONS 100 TO 105 OF THE COMPANIES ACT,
1956

The Scheme is divided into the following parts:


- (a) **Part I** deals with the Preamble;
- (b) **Part II** deals with Rationale and Salient Features of the Scheme;
- (c) **Part III** deals with the Definitions and Share Capital;
- (d) **Part IV** deals with cancellation of shares and adjustment of Debit balance in the Profit and Loss account of 'Blue Pearl Texspin Limited'
- (e) **Part V** deals with the General Clauses;

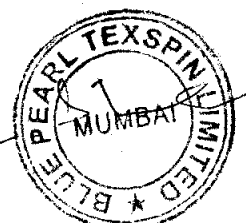
PART I. - PREAMBLE

1. PREAMBLE

Blue Pearl Texspin Limited (hereinafter referred to as BPTL or Company) a Listed Public Limited Company presently having its registered office situated at 32, Vyapar Bhavan, 49, P.D. Mello Road, Mumbai-400009, Maharashtra and engaged inter alia in the business of Textile and related activities.

This Scheme provides for reduction of Share Capital under Section 100 to 105 and other applicable provisions, if any, of the Companies Act, 1956


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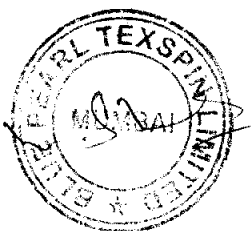


for undertaking financial restructuring and reconstruction of the Company whereby the Company would write off part of the debit balance in Profit and Loss account to the extent of Rs. 4,86,40,000/- (Rupees Four Crores Eighty Six Lacs Forty Thousand Only) i.e. by reduction of 95% on 51,20,000 Equity Shares of Rs. 10/- Each in the existing paid up Equity Share Capital of Rs. 5,12,00,000/- (Rupees Five Crores Twelve Lacs only) of the Company.

PART II – RATIONALE & SALIENT FEATURES

2. RATIONALE:

- 2.1 In view of the accumulated carry forward losses that the Company's Balance Sheet is reflecting and with the future prospect of growth and value addition to the shareholders, the Company has proposed to clean its books thereby enabling the Company to raise future resources considering the expansion programs that has been considered for development would need huge amount of investment both in terms of equity as well as debt.
- 2.2 Continuous Losses have substantially wiped off the value represented by the Share Capital thus the financial statements do not reflect the correct picture of the health of the Company.
- 2.3 This has given rise to the need to re-adjust the relation between capital and assets and to accurately and fairly reflect the liabilities and assets of the Company in its books of accounts. The Company has evaluated the effect of this upon the Company's functioning and has carefully examined different options available to the Company. After detailed deliberations, the Board of Directors of the Company is of the view that reduction of capital in accordance with Section 100 of the Companies Act, 1956 is the only practical and economically efficient legal option available to the Company. In order to reflect its assets and liabilities at their real value and maximize its business value, the Company proposes to reduce the equity share capital of the Company in accordance with Section 100 of the Companies Act, 1956.

- 2.4 For ensuring that the financial statements of the Company reflect the real picture and the Capital which is lost is not continued to be shown on the face of balance sheet it is necessary to carry out reduction of capital of the Company.
- 2.5 The reduction of Capital in the manner proposed would enable the Company to have a rational capital structure which is commensurate with its remaining business and assets.

SALIENT FEATURES OF THE SCHEME:

This Scheme is presented as a Scheme of reduction of share capital of the Company pursuant to Section 100 to 105 and other applicable provisions, if any, of the Companies Act, 1956. The salient features of the Scheme inter alia are as follows:-

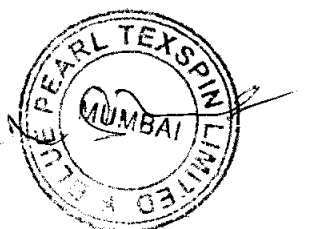
- 2.6 The Scheme provides for the reduction of the equity share capital of the Company pursuant to Section 100 to 105 and other applicable provisions, if any, of the Companies Act, 1956.
- 2.7 The Scheme also provides for various other matters consequential, supplemental and/or otherwise integrally connected herewith.

Part III – DEFINITION AND SHARE CAPITAL

3. DEFINITIONS:


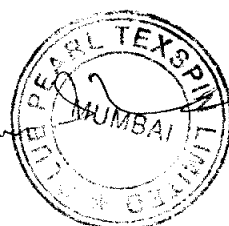
In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

- 3.1 **Blue Pearl Texspin Limited**, (hereinafter referred to as “BPTL” or “Company”) means a Company incorporated under the Companies Act, 1956, on 06th November, 1992, in the name and style “E-Wha Foam India Limited” and subsequently the name of the Company was changed to 'Blue Pearl Texspin Limited' vide fresh certificate of incorporation consequent on change of name issued by the Registrar of Companies on 08th November 2012, having its registered office at 32, Vyapar Bhavan,



P.D. Mello Road, Masjid Bunder (E), Mumbai- 400009. The Company's equity shares are listed on BSE Limited. The Company is presently engaged in the business of Textiles and related activities.

- 3.2 "The said Act" means the Companies Act, 1956 or any statutory modification or re – enactment thereof from time to time and notified Section of the new Companies Act, 2013 and rules made there under.
- 3.3 "Governmental Authority" means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board bureau, instrumentality, judicial or arbitral body having jurisdiction over the territory of India.
- 3.4 "The Appointed Date" means 1st day of April, 2014 or such other date as the Hon'ble High Court at the judicature of Bombay may direct.
- 3.5 "The Effective Date" means the last date on which certified copy (ies) of the Order(s) of the Hon'ble High Court at judicature at Bombay sanctioning this Scheme of Arrangement is/ are filed with the Registrar of Companies, Mumbai, Maharashtra, by the Company.
- 3.6 "Record Date" means the date (s) to be decided by the Board of Directors of the Company for the purpose of giving effect to the orders of the Honorable High Court sanctioning the Scheme.
- 3.7 "Court or High Court" shall, for the purpose of this Scheme, means the Hon'ble High Court of Judicature at Bombay and the expression shall include, all the powers of the High Court under the Chapter V of the Act being vested on the National Company Law Tribunal constituted under Section 10 FB of the Companies Act, 1956, the National Company Law Tribunal and the provisions of the Act as applicable to the Scheme shall be construed accordingly.
- 3.8 "The Scheme" means this Scheme of arrangement for reconstruction/ restructuring of capital as provided herein in its present form or with any

modification(s) approved or imposed or directed by the any of the regulatory authorities and may be approved by the Hon'ble High Court of judicature at Bombay or National Company Law Tribunal as applicable.

3.9 "Stock Exchange" means the stock exchange on which the shares of the Company are listed.

3.10 "Encumbrance" means any options, pledge, mortgage, lien, security, interest, claim, charge, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever.

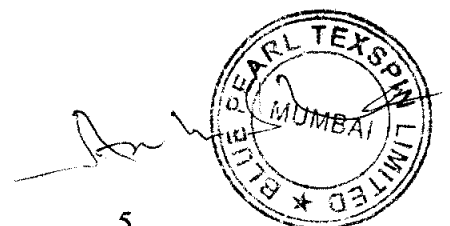
3.11 "Shareholders" "the Shareholders" and "Member" are used to denote the same meaning and are used interchangeably.

All terms and words not defined in the Scheme, shall unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, Securities Contract Regulation Act, 1956, Securities and Exchange Board of India Act, 1992, Depositories Act, 1996, Listing Agreement and other applicable laws, rules, regulations, bye laws, as the case may be or any statutory modifications or re-enactment thereof from time to time.

OBJECTS AND CAPITAL STRUCTURE

Main Object:

- a) To carry on the business of manufacturers, importers, exporters and dealers in all types of polymer foams like polyathlene foam poly vinyl chloride foam, polyathlene foam, ethyleae vinyl acetate foam and rubber foam latex foam and any other type of foam.
- b) To carry on the business of exporters, importers, dealers, manufacturers, repairers of all types of rigid, semirigid, soft, hand, flexible, micro cellular, micro porous cellular, moncellulars, porous or any other types of foam in different



sizes and shapes like angles, pipes, hose net, red, sheet or any other shape.

- c) To carry on the business of purchase, sell, import, export, manufacture, repair or otherwise all types of sheets, rods, hoses, nets, pipes, purses, pouches, bags, jackets, tyos, games, clothes, rings, mats, sports wears, leisure wears, pillows, seals, chairs, doors, windows, tyres and any other articles or products made from foams of all types.

Present Share Capital

- a) The Authorized Share Capital of the Company is of Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crores) Equity Shares of Rs. 10/- (Rupees Ten only) each. The issued, Subscribed and Paid up Share Capital is of Rs. 5,12,00,000/- (Rupees Five Crores Twelve Lacs only) divided into 51,20,000 (Fifty One Lacs Twenty Thousands) Equity Shares of Rs. 10/- (Rupees Ten only) each fully paid up.

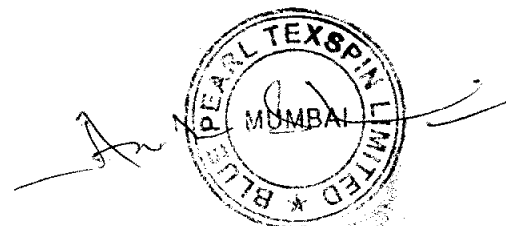
PART IV

4. REDUCTION AND REORGANISATION OF SHARE CAPITAL AND ADJUSTMENT OF DEBIT BALANCE IN THE PROFIT AND LOSS ACCOUNT OF THE COMPANY:

1. Notwithstanding anything contained in Section 100 to 105 of the Companies Act, 1956:

(a) Upon the Scheme coming into effect from the appointed date:

- i. By the effective date and after securing necessary approvals and permissions, the accumulated losses of Rs. 4,86,40,000/- (Rupees Four Crores Eighty Six Lacs Forty Thousand Only) of the Company is sought to be set off against the paid up capital of the Company with effect from the appointed date.



- II. The scheme seeks to reduce or otherwise alter the issued, subscribed and paid up capital of the company and the same will therefore remain altered as a result of the scheme.

On the effective date and after securing necessary approvals and permissions, the company shall reduce its fully paid up equity shares capital from Rs.5,12,00,000/- (Five Crore Twelve Lakh Only) divided into 51,20,000 (Fifty One Lakh Twenty Thousand) Equity shares of Rs.10/- (Ten Only) each to Rs.25,60,000/- (Twenty Five Lakh Sixty Thousand Only) divided into 51,20,000 Equity Shares of Re 0.5/- each and thereafter consolidating each 20 equity shares of Re.0.5/- into one equity share of Rs.10/- each to make up 2,56,000 equity shares of Rs.10/-, where by 19/20th of share capital is extinguished out of total paid up capital of the company.

A shareholder who holding 100 Equity Shares of Rs.10/- each aggregating to Rs.1000/- shall hold (after reduction) 5 no. of shares of Rs.10/- each aggregating to Rs.50/-. The revised structure of the share capital of the company shall be as specified in the below mentioned clause of the scheme. The company is not intending to call for any additional amount from any of the existing shareholders, after reduction of capital, as per the present scheme.

FOR BETTER UNDERSTANDING AND CLARITY AS SHARE HOLDER IN BLUE PEARL TEXSPIN LIMITED WILL BE HOLDING SHARES AS MENTIONED BELOW.

Sr. No.	Particulars	No Shares	Paid up Value per share Rs.	Total Value Rs.
1	Before Reduction	100	10	1000/-
2	After Reduction	100	0.5	50/-
3	After Consolidation	05	10	50/-


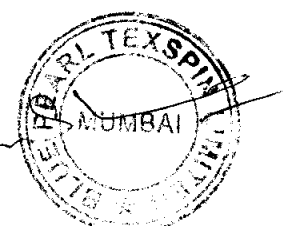
- III. The proposed restructuring of capital by reduction of capital under section 100 of the Companies Act, 1956 and section 61 of the Companies Act, 2013

shall be reflected in the books of accounts of the company in the following manner as on the effective date.


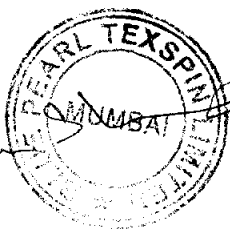
Sr. No.	Particulars	As on 31.03.2014	After Reduction and consolidation.
1	Authorized Share Capital a) No. of Shares b) Amount	1,00,00,000 Equity shares of Rs.10/- each. Rs.10,00,00,000/-	1,00,00,000 Equity shares of Rs.10/- each. Rs.10,00,00,000/-
2	Issued & Subscribed Share Capital a) No. of Shares b) Amount	51,20,000 Equity shares of Rs.10/- each. Rs.5,12,00,000/-	2,56,000 Equity Shares of Rs.10/- each. Rs.25,60,000/-
3	Paid up Share Capital a) No. of Shares b) Amount	51,20,000 Equity shares of Rs.10/- each. Rs.5,12,00,000/-	2,56,000 Equity Shares of Rs.10/- each. Rs.25,60,000/-
4	Profits and Loss Account (Debit Balance)	Rs. 5,21,32,671/-	Rs. 34,92,671/-

- IV. The Company acting through the committee of directors shall be empowered to advise the depository participant of the equity shareholders in dematerialised form, on the record date, the information of shareholding arising out of reorganization of capital pursuant to this Scheme, for substitution thereof or in lieu of the certificates of the equity shares held by them before such reorganization of capital.
- V. Those equity shareholders of the Company who continue to hold their equity shares in physical form as on the record date shall be issued fresh share certificates consequent upon the reorganization, of the capital. Their original share certificates shall be deemed to be cancelled and non-useable and not tradable on any stock exchange or otherwise from and after the record date. The new share certificates of Company issued pursuant to this Scheme shall be delivered to such equity shareholders

who holds their equity shares in physical form by registered post, irrespective of whether such equity shareholders surrender their old share certificates or not. The stock exchanges shall also be intimated, on the record date of the non-tradability of the original share certificates so that they can intimate the Company members by public notice displayed on the notice board and through electronic means.

- VI. upon the Scheme into effect, with the above reduction of share capital of the Company in accordance with the above clauses, 5120000 equity shares having a face value of Rs. 10/- each aggregating Rs. 5,12,00,000/- (Rupees Five Crores Twelve Lacs only) shall be reorganized into 256000 equity shares of Rs. 10/- each fully paid up aggregating Rs. 25,60,000/- (Rupees Twenty Five Lacs Sixty Thousands only). Consequently, every shareholders of Company whose name appears register of members on the record date shall be issued in total 256000 equity shares of the face value of Rs. 10/- each fully paid up held by them in the Company prior to Scheme.
- VII. the reduction in share capital account of the Company shall be effected as an integral part of the Scheme upon the order of the Honorable High Court sanctioning the Scheme coming into effect notwithstanding anything contained in the provisions of Section 100 to 105 and other applicable provisions, if any, of the Companies Act, 1956 and such an order shall be deemed to be also the order under Section 102 of the act for purpose of confirming the reduction.
- VIII. Any fraction shares arising on account of reduction of Equity Share Capital shall be rounded off to the nearest integer, for example if shareholder will hold 15.4 shares after reconstruction of capital, it shall be rounded off to 15 shares and the 0.4 shares shall be ignored. However, if the shareholder will hold say 15.5 shares, it shall be rounded off to 16 shares. For the purpose of rounding off, in case it is required, then the promoters will offer their holdings for reduction to the nearest rounding off, so that post reduction, the Equity Share Capital of the Company shall remain at Rs. 25,60,000/- consisting of 2,56,000 fully paid up equity shares of Rs. 10/- each.
- IX. The provisions of this Section shall operate notwithstanding anything to the contrary in this Scheme.

PART V

5. GENERAL CLAUSES

5.1 GENERAL TERMS AND CONDITIONS APPLICABLE TO THE ENTIRE SCHEME:

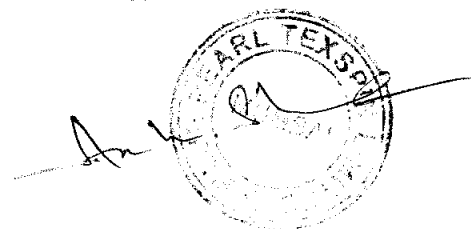
The Scheme confirms to all rules, regulation, guidelines etc, framed and issued by SEBI pursuant to SEBI Act, 1992 and securities contracts regulations act, 1956.

5.2 EFFECT OF THE SCHEME:

- a. It is clarified that the approval of the members of the Company to the Scheme shall be deemed to be their consent/approval also to the alteration of the Memorandum and Articles of association of the Company as may be required under the Act.
- b. The proposed reconstruction/ restructuring of capital by reduction of paid up capital against accumulated losses shall be reflected in the books of accounts of the Company, on the effective date, in the following manner:

Particulars	Prior capital to the Scheme of arrangement as on 31.03.2014 (audited)	Reduction of capital against "accumulated loss" as per Scheme
Number of equity shares	5120000	256000
Value of each shares	Rs. 10/-	Rs. 10/-
Total paid up share capital	Rs. 5,12,00,000/-	Rs. 25,60,000/-
Reserves and Surplus	(5,21,32,671)	(34,92,671)

- c. The Scheme, which is only reduction of capital of the Company and it does not envisage transfer or vesting of any properties and/ or liabilities to or in favor of the Company.

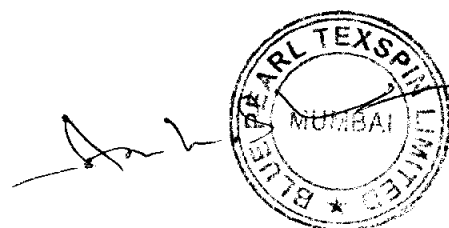


- d. The Scheme does not involve any conveyance of transfer of any property and consequently, the order of the Honorable High Court of Bombay approving the Scheme will not attract any stamp duty, under the Bombay Stamp Act, in this regard. The Company shall make all applications/petitions as may be required under Section 100 to 105 and other applicable provisions, if any, of the Companies Act, 1956, to the High Court of judicature of Bombay, for obtaining the sanction of the Court of this Scheme of reduction of capital. Under Section 100 to 105 and other applicable provisions, if any, of the Companies Act, 1956 and for such orders for carrying this Scheme into effect.

5.3 JUSTIFICATION OF THE SCHEME:

- a. The accumulated losses of the Company as on 31st March, 2014 which amounted to Rs. (5,21,32,671) has wiped off almost the net worth of the Company. Even though the Company has been making profits in some prior year still the carry forward losses on balance sheet is making difficult for the Company to either raise new resources for expansion and modernization nor it can share the profits of the Company with its shareholders. The Company is therefore unable to raise any finance either from the capital markets or financial institutions whether in the form of equity or debt, to undertake business activities on a larger scale. The proposed Scheme would enable the Company to show the actual financial position in its balance sheet to depict the representing assets value which in turn will enable it to approach for financial assistance in order to develop its business and thereby increase its net worth to enhance the stakeholders value.
- b. in view of the above, the Company is seeking to reconstruct/ restructure its capital by way of writing off its accumulated capital loss against the reduction of its paid up capital which is not represented by available assets.

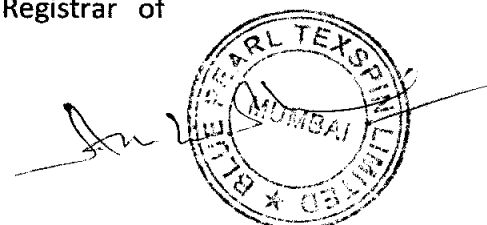
5.4 OBJECTS/ BENEFITS ARISING OUT OF THE SCHEME:



- a. The Company has incurred heavy losses in past and has an eroded net worth. The Scheme after full implementation will result in making its net worth positive.
- b. The Scheme will enable the Company to overcome its financial difficulties and improve its working in the future.
- c. Once the Scheme is sanctioned it would enable the Company to share its future profits with its shareholders.
- d. The true financial statement of the Company would ensure Company to attract new source of avenue and in turn enhancement of its shareholders value.
- e. The Scheme will help the growth of the Company, which will be in the interest of its employees, shareholders, the national and state exchequer and the society in general: and
- f. The Scheme will facilitate the Company to expand and smoothen the business activities. The experience and expertise of the promoters will bring efficiency and professionalism in the management of the Company.

5.5 THE SCHEME IS CONDITIONAL UPON AND SUBJECT TO:

- a. The Scheme being agreed to by the respective requisite majorities of members of the Company as required under the Act and the requisite sanction and order of the High Court of judicature at Bombay or of such other authority having jurisdiction under law, being obtained.
- b. The requisite sanction and approvals including but not limited to in principal approvals, sanctions of any governmental authority, as may be required by law in respect of this Scheme being obtained: and
- c. The certified copy of the above order of the High Court of Judicature at Bombay sanctioning this Scheme being filed with the Registrar of Companies-Mumbai.



- d. The Company needs to obtain shareholders approval as required under Section 100 of the Companies Act, 1956 by passing a special resolution at its shareholders meeting for reduction of share capital. The proposed special resolution given hereunder as follows:

“RESOLVED THAT pursuant to Article 10 of the Articles of Association of the Company, Section 100 to 104 and such other applicable provisions of the Companies Act, 1956, subject to the sanctions and approvals of the appropriate authorities as may be required, subject to the confirmation by the Hon’ble High Court of Bombay and subject to such terms, conditions or modifications if any, as may be prescribed by such authorities while granting such approvals, the shareholders of the Company be and hereby approve the reduction of the subscribed and paid up equity share capital of the Company from Rs. 51,20,000 Equity Shares of Rs. 10/- Each aggregating to Rs. 5,12,00,000/-(Rupees Five Crores Twelve Lacs) to Rs. 25,60,000/- (consisting of 256000 issued, subscribed and paid-up equity shares of Rs. 10/- each fully paid up) and cancelled equity share capital amounting to Rs. 4,86,40,000/- (Rupees Four Crores Eighty Six Lacs Forty Thousand Only) shall be utilized to write off the debit balance in the profit and Loss Account of the Company.”

“RESOLVED FURTHER THAT after the reduction of capital, the aggregate subscribed and paid up share capital of the Company reduced to Rs. 25,60,000/- (consisting of 256000 issued, subscribed and paid-up equity shares of Rs. 10/- each fully paid up).”

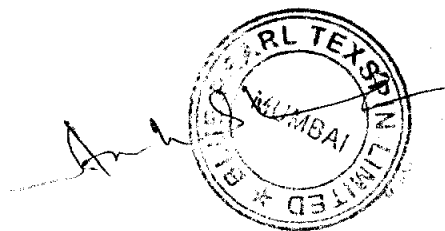
“RESOLVED FURTHER THAT consequential amendments be made in the capital clause of the Memorandum of Association and the Articles of Association of the Company after the said reduction becomes operative and effective.”

“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, deeds, matters and things as they may at their absolute discretion deem necessary or desirable for effectively implementation of the resolution and to settle any questions, difficulties or doubts that may arise in this regard as they may in their absolute discretion deem fit.”

5.6 COST, CHARGES AND EXPENSES:

All past, present and future costs, charges, levies, duties, and expenses in relation to or in connection with or incidental to the Scheme or the implementation thereof shall be borne by the Company and all of the above costs (including stamp duty, if any) shall be treated as costs relating to the Scheme.

5.7 IMPACT OF THE SCHEME ON EMPLOYEES/ WORKERS:



The Scheme shall not have any adverse impact on the employees and workers of the Company and they would in fact be generally benefitted as the infusion of fresh funds into the Company would help it to deploy the same in its business and thereby improve its financial position.

5.8 IMPACT OF THE SCHEME ON CREDITORS/BANKS/FINANCIAL INSTITUTIONS

The Scheme of reduction of capital will not affect any of the Company's creditors/ Banks/ Financial institutions. The Scheme does not provide any or arrangement with the creditors and shareholders except as provided in the Scheme. The Scheme will help the revival of the Company which will be in the interest of the employees, shareholders, national and state exchequer.

5.9 LEGAL PROCEEDINGS:


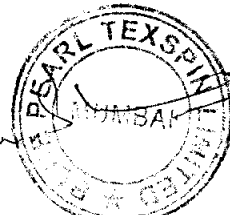
The Scheme would not affect any legal or other proceeding by or against the Company.

5.10 APPLICATION TO THE HIGH COURT OF BOMBAY:

The Scheme involves reduction of share capital as contemplated by Articles of association of the Company. Approval of the shareholders and of the Hon'ble High Court, Bombay pursuant to this Scheme under Section 100 to 105 and other applicable provisions, if any, of the Companies Act, 1956 are being sought as a measure of legal compliance, transparency and prudence.

5.11 MODIFICATIONS/ AMENDMENTS OF THE SCHEME:

The Company by its Directors (including a committee of Directors constituted for this purpose), may affect or assent to any modification or amendment of the Scheme which the court and/ or any other authorities under law may deem fit to direct or impose or which may otherwise be considered necessary or desirable by the Board of Directors of the Company

for setting any question or doubt or difficulty that may arise for implementing and/ or carrying out the Scheme or otherwise as may be considered by the Board to be in the best interest of the Company and its members and to do all acts, deeds and things as may be necessary, desirable or expedient for giving effect to the Scheme.

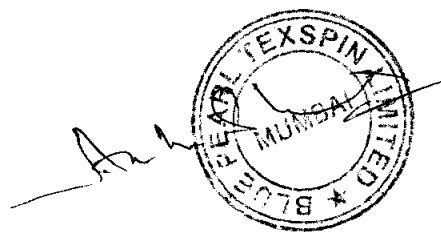
5.12 THE SCHEME IS SPECIFICALLY CONDITIONAL UPON AND SUBJECT TO:

- a. the approval of and agreement to the Scheme by the requisite majorities of such classes of persons of the Company as may be directed by the Hon'ble High Court, Bombay on the application made or directions under Section 100 to 105 and other applicable provisions, if any, of the Companies Act, 1956 for calling meetings and necessary resolutions being passed under the said Act for the purpose.
- b. The sanction of the Hon'ble High Court, Bombay being obtained under Section 100 to 105 and other applicable provisions, if any, of the Companies Act, 1956 and any other applicable provisions, if any, by the Company.

5.13 EFFECT OF NON RECEIPT OF APPROVALS/ SACTIONS

- a. in the event of any of the aforesaid sanctions and approvals not being obtained and/ or the Scheme not being sanctioned by the High Court at Bombay and/ or the order or orders not being passed as aforesaid, the Scheme shall become null and void and Company shall bear and pay the costs, charges and expenses for/ or in connection with the Scheme.
- b. if, in the opinion of the board of directors of the Company, any part of the is found to be unworkable for any reason whatsoever, the same shall not affect the validity or implementation of other parts or provisions of the Scheme.

5.14. CANCELLATION OF SHARES



Upon this Scheme becoming finally effective, all the shareholders, if so required by the Company, shall surrender their shares certificates for cancellation thereof notwithstanding anything to the contrary, upon the issue of the new shares certificates in the Company to the shareholders whose names shall appear in the register of members of the Company on such Record Date fixed as aforesaid, the old share certificates held by them in the Company shall be deemed to have been automatically cancelled and cease to be negotiable and be of no commercial or legal value, on and from the Record date. The Company may instead of requiring the surrender of the old share certificates, as above, directly issue and dispatch the new share certificates of the Company in lieu thereof. In the case of shares held in dematerialized and electronic form, the required procedure for reflecting the change in the holdings of the members of the Company, as consequences of the sanctioning of this Scheme, shall be adopted for making the necessary alterations in the depository accounts of the shareholders.

5.15 LISTING OF SHARES:.

Notwithstanding the reduction of capital of the Company in pursuance of this Scheme, the listing benefits of the Company, for the existing shares being issued in prudence of this Scheme, on all or any of the stock exchanges where the existing equity shares of the Company are listed may continue and the Company will comply the applicable provisions of the listing agreement with the stock exchange.

