

**BLUE STAR INFOTECH LIMITED**

<b>Consolidated Group Financial Results for the Quarter Ended June 30, 2003</b>				
Particulars	(Rs. in Millions)			
	Quarter Ended			Year Ended (Audited)
	30.6.2003	30.6.2002	31.3.2003	31.3.2003
Export Income	198.98	149.00	160.74	613.16
Domestic Income	37.97	31.77	42.41	162.39
<b>Total Sales Revenue</b>	<b>236.95</b>	<b>180.77</b>	<b>203.15</b>	<b>775.55</b>
<b>Other Income</b>	21.30	1.24	12.22	<b>20.78</b>
<b>Total Income</b>	<b>258.25</b>	<b>182.01</b>	<b>215.37</b>	<b>796.33</b>
Staff Cost	130.64	91.70	126.77	416.60
Other Expenditure	60.16	38.01	39.30	176.57
Interest	-	-	-	-
Depreciation	5.25	4.01	4.97	18.11
<b>Total Expenditure</b>	<b>196.05</b>	<b>133.72</b>	<b>171.04</b>	<b>611.28</b>
<b>Profit Before Taxation</b>	<b>62.20</b>	<b>48.29</b>	<b>44.33</b>	<b>185.05</b>
Provision for Taxation	9.20	4.59	8.95	24.52
<b>Net Profit</b>	<b>53.00</b>	<b>43.70</b>	<b>35.38</b>	<b>160.53</b>
Paid-up Equity Share Capital (face value Rs. 10)	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Earning Per Share (Rupees) ( Not Annualised)	5.30	4.37	3.54	16.05

<b>Consolidated Segment Reporting ( Unaudited)</b>				
Particulars	(Rs. Millions)			
	Quarter Ended			Year Ended (Audited)
	30.6.2003	30.6.2002	31.3.2003	31.3.2003
<b>Revenue By Business Segment</b>				
Global Research & Development (GRD)	65.82	38.60	64.32	193.30
Business Application Practice (BAP)	86.17	79.12	73.60	308.70
Consulting Services Practice (CSP)	19.12	23.22	14.88	79.56
Banking, Financial Services & Insurance (BFSI)	20.62	19.42	19.43	85.27
System Integration Practice (SIP)	45.22	20.41	30.92	108.72
<b>Total</b>	<b>236.95</b>	<b>180.77</b>	<b>203.15</b>	<b>775.55</b>
Less : Inter-Segment Revenue	-	-	-	-
<b>Net Revenue from Operations</b>	<b>236.95</b>	<b>180.77</b>	<b>203.15</b>	<b>775.55</b>
<b>Segment Profit / (Loss) Before Tax and Interest</b>				
Global Research & Development (GRD)	39.93	22.33	37.89	111.93
Business Application Practice (BAP)	37.87	40.29	34.23	154.10
Consulting Services Practice (CSP)	9.15	9.88	4.26	29.82
Banking, Financial Services & Insurance (BFSI)	9.17	1.98	7.90	28.59
System Integration Practice (SIP)	26.25	11.78	20.30	70.09
<b>Total</b>	<b>122.37</b>	<b>86.26</b>	<b>104.58</b>	<b>394.53</b>
Less : Interest	-	-	-	-
Less : Other Un-allocable Expenditure (Net of un-allocable income)	60.17	37.97	60.25	209.48
<b>Operating Profit before Tax</b>	<b>62.20</b>	<b>48.29</b>	<b>44.33</b>	<b>185.05</b>

<b>Blue Star Infotech Limited - Unaudited Financial Results for the Quarter Ended June 30, 2003</b>				
<b>Particulars</b>	<b>(Rs. in Millions)</b>			
	<b>Quarter Ended</b>			<b>Year Ended (Audited)</b>
	<b>30.6.2003</b>	<b>30.6.2002</b>	<b>31.3.2003</b>	<b>31.3.2003</b>
Export Income	142.06	119.33	124.53	472.54
Domestic Income	37.97	31.77	42.41	162.39
<b>Total Sales Revenue</b>	<b>180.03</b>	<b>151.10</b>	<b>166.94</b>	<b>634.93</b>
Other Income	21.23	1.19	6.48	15.04
<b>Total Income</b>	<b>201.26</b>	<b>152.29</b>	<b>173.42</b>	<b>649.97</b>
Staff Cost	58.27	37.25	50.31	177.63
Other Expenditure	50.27	20.39	28.62	115.97
Service Charges to Overseas Subsidiaries	28.06	42.49	36.63	148.77
Interest	-	-	-	-
Depreciation	4.95	3.73	4.52	16.52
<b>Total Expenditure</b>	<b>141.55</b>	<b>103.86</b>	<b>120.08</b>	<b>458.89</b>
<b>Profit Before Taxation</b>	<b>59.71</b>	<b>48.43</b>	<b>53.34</b>	<b>191.08</b>
Provision for Taxation	8.50	4.13	6.84	22.50
<b>Net Profit</b>	<b>51.21</b>	<b>44.30</b>	<b>46.50</b>	<b>168.58</b>
Paid-up Equity Share Capital (face value Rs. 10)	100.00	100.00	100.00	100.00
Reserves excluding revaluation reserves	-	-	-	302.05
Earnings Per Share (Rupees) -Basic and Diluted (Not Annualised)	5.12	4.43	4.65	16.86
<b>Aggregate of non-promoter shareholding :</b>				
- No. of shares	4,534,191	4,504,309	4,534,166	4,534,166
- Percentage of shareholding	45%	45%	45%	45%

<b>CONSOLIDATED REVENUE DISTRIBUTION FOR THE QUARTER ENDED JUNE 30, 2003</b>				
<b>By Lines of Business</b>		<b>By Geography</b>		<b>By Onsite/Offshore Projects</b>
<b>GRD</b>	<b>28%</b>	<b>North America</b>	<b>57%</b>	<b>Offshore</b> <b>92%</b>
<b>BAP</b>	<b>36%</b>	<b>Europe</b>	<b>16%</b>	<b>Onsite</b> <b>8%</b>
<b>CSP</b>	<b>8%</b>	<b>Asia-Pacific</b>	<b>11%</b>	
<b>BFSI</b>	<b>9%</b>	<b>India</b>	<b>16%</b>	
<b>SIP</b>	<b>19%</b>			

**NOTES :**

**A) Segment Reporting**

Fixed Assets used in the company's business or liabilities contracted have not been identified to any reportable segments, as the fixed assets and services are used interchangeably between segments. It is not practical to allocate total assets and liabilities segmentwise, and hence segmental capital employed is not given.

**B) Consolidated Reporting**

The consolidated financial data (unaudited) includes the wholly owned subsidiaries Blue Star Infotech America Inc., Blue Star Infotech (UK) Limited in the USA and UK respectively, and Blue Star Infotech (Malaysia) Sdn. Bhd., a 51% subsidiary of the Company.

**C) General**

- The above results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on July 25, 2003.
- The financial results of Blue Star Infotech Limited for the quarter ended June 30, 2003 have been subjected to limited review by the Statutory Auditors.
- In view of changes in the Income Tax Law, the Company has moved most of its investments in Income based mutual funds from Growth option to Dividend option. Reported other income for the quarter ended June 30, 2003 is higher than that for the corresponding quarter of the previous year, on account of redemption/switch of investments and receipt of dividend. The diminution in NAV of investments amounting to Rs.10.80 million, post-declaration of dividend, has been reflected under "Other Expenditure."
- During the quarter ended June 30, 2003, 7 investor complaints were received and disposed of and no investor complaints have remained unresolved. No investor complaints were pending at the beginning of the said period.

**Registered Office:**

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Mumbai 400 025

For BLUE STAR INFOTECH LIMITED

Website : [www.bsil.com](http://www.bsil.com)

Date: July 25, 2003  
Place: Mumbai

Parmod K. Bhalla  
Managing Director