

**BLUE STAR INFOTECH LIMITED**

<b>Consolidated Group Financial Results (Unaudited) for the quarter ended September 30, 2005</b>					
<b>Quarter Ended</b>		<b>Particulars</b>	<b>(Rs. in Millions)</b>		
			<b>Half Year Ended</b>		<b>Year Ended (Audited)</b>
<b>30.09.05</b>	<b>30.09.04</b>		<b>30.9.2005</b>	<b>30.9.2004</b>	<b>31.3.2005</b>
164.55	258.17	Export Income	337.06	512.33	913.70
44.55	41.02	Domestic Income	80.48	72.59	152.47
<b>209.10</b>	<b>299.19</b>	<b>Total Sales Revenue</b>	<b>417.54</b>	<b>584.92</b>	<b>1,066.17</b>
9.75	1.15	Other Income	12.02	3.36	3.49
<b>218.85</b>	<b>300.34</b>	<b>Total Income</b>	<b>429.56</b>	<b>588.28</b>	<b>1,069.66</b>
141.89	163.41	Staff Cost	279.01	311.84	606.47
20.19	20.69	Professional Fees	37.54	54.00	72.38
23.37	29.43	Travel and Conveyance	35.26	49.80	96.64
17.80	33.76	Other Expenditure	46.64	67.45	142.21
4.95	4.34	Depreciation	10.82	11.44	26.80
<b>208.20</b>	<b>251.63</b>	<b>Total Expenditure</b>	<b>409.27</b>	<b>494.53</b>	<b>944.51</b>
<b>10.65</b>	<b>48.71</b>	<b>Profit Before Taxation</b>	<b>20.29</b>	<b>93.75</b>	<b>125.15</b>
		Provision for Taxation (Deferred and Current)			
7.69	14.31	Taxes (Including Foreign Tax)	13.24	22.75	30.57
0.77	-	Fringe Benefit Tax	0.95	-	-
<b>2.19</b>	<b>34.40</b>	<b>Net Profit</b>	<b>6.10</b>	<b>71.00</b>	<b>94.58</b>
<b>100.00</b>	<b>100.00</b>	Paid-up Equity Share Capital (face value Rs. 10)	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
0.22	3.44	Earning Per Share (Rupees) ( Not Annualised)	0.61	7.10	9.46

<b>Consolidated Segment Reporting ( Unaudited)</b>					
<b>Quarter Ended</b>		<b>Particulars</b>	<b>(Rs. Millions)</b>		
			<b>Half Year Ended</b>		<b>Year Ended (Audited)</b>
<b>30.9.2005</b>	<b>30.9.2004</b>		<b>30.9.2005</b>	<b>30.9.2004</b>	<b>31.3.2005</b>
		<b>Revenue By Business Segment</b>			
84.40	103.61	Global Research & Development (GRD)	162.37	192.58	370.49
61.87	81.82	Business Application Practice (BAP)	124.68	188.97	357.98
31.40	63.39	Consulting Services Practice (CSP)	70.29	108.22	185.57
31.43	50.37	System Integration Practice (SIP)	60.20	95.15	152.13
<b>209.10</b>	<b>299.19</b>	<b>Total</b>	<b>417.54</b>	<b>584.92</b>	<b>1,066.17</b>
<b>209.10</b>	<b>299.19</b>	<b>Net Revenue from Operations</b>	<b>417.54</b>	<b>584.92</b>	<b>1,066.17</b>
		<b>Segment Profit / (Loss) Before Tax and Interest</b>			
44.15	48.95	Global Research & Development (GRD)	83.25	93.77	172.35
31.63	37.39	Business Application Practice (BAP)	61.19	84.33	171.09
9.52	24.52	Consulting Services Practice (CSP)	27.24	42.63	89.42
7.36	20.81	System Integration Practice (SIP)	19.53	43.98	74.16
<b>92.66</b>	<b>131.67</b>	<b>Total</b>	<b>191.21</b>	<b>264.71</b>	<b>507.02</b>
82.01	82.96	Less : Other Un-allocable Expenditure (Net of un-allocable income)	170.92	170.96	381.87
<b>10.65</b>	<b>48.71</b>	<b>Operating Profit before Tax</b>	<b>20.29</b>	<b>93.75</b>	<b>125.15</b>

Blue Star Infotech Limited - Unaudited Financial Results for the Quarter Ended September 30, 2005						
Quarter Ended		(Rs. in Millions)				
		Half Year Ended		Year Ended (Audited)		
30.9.2005	30.9.2004	Particulars		30.9.2005	30.9.2004	31.3.2005
133.92	183.84	Export Income		249.97	364.39	686.86
44.55	41.02	Domestic Income		80.48	72.59	152.47
<b>178.47</b>	<b>224.86</b>	<b>Total Sales Revenue</b>		<b>330.45</b>	<b>436.98</b>	<b>839.33</b>
9.75	1.15	Other Income		12.02	3.36	3.49
<b>188.22</b>	<b>226.01</b>	<b>Total Income</b>		<b>342.47</b>	<b>440.34</b>	<b>842.82</b>
80.42	80.95	Staff Cost		142.58	159.84	306.50
26.19	40.68	Service Charges to Overseas Subsidiaries		60.86	80.75	175.95
22.40	29.09	Travel and Conveyance		32.29	47.55	80.36
32.45	24.51	Other Expenditure		51.07	52.38	124.86
5.11	3.92	Depreciation		10.82	10.67	25.61
<b>166.57</b>	<b>179.15</b>	<b>Total Expenditure</b>		<b>297.62</b>	<b>351.19</b>	<b>713.28</b>
<b>21.65</b>	<b>46.86</b>	<b>Profit Before Taxation</b>		<b>44.85</b>	<b>89.15</b>	<b>129.54</b>
		Provision for Taxation (Deferred and Current)				
7.69	13.56	Taxes (Including Foreign Tax)		13.24	21.11	28.77
0.77	-	Fringe Benefit Tax		0.95	-	-
<b>13.19</b>	<b>33.30</b>	<b>Net Profit</b>		<b>30.66</b>	<b>68.04</b>	<b>100.77</b>
100.00	100.00	Paid-up Equity Share Capital (face value Rs. 10)		100.00	100.00	100.00
-	-	Reserves excluding revaluation reserves		-	-	437.93
1.32	3.33	Earnings Per Share (Rupees) -Basic and Diluted (Not Annualised)		3.07	6.80	10.08
		<b>Aggregate of non-promoter shareholding :</b>				
4,490,930	4,493,108	- No. of shares		4,490,930	4,493,108	4,493,108
44.91%	44.93%	- Percentage of shareholding		44.91%	44.93%	45%

**CONSOLIDATED REVENUE DISTRIBUTION FOR THE QUARTER ENDED SEPTEMBER 30, 2005**

By Lines of Business		By Geography		By Onsite/Offshore Projects	
GRD	39%	North America	57%	Offshore	83%
BAP	29%	Europe	15%	Onsite	17%
CSP	17%	Asia-Pacific	12%		
SIP	15%	India	16%		

**NOTES :**

**A) Segment Reporting**

i) The revenues shown above have been classified into Lines of Business (LOB) to comprise the primary basis of segment information. In representing segment results, the expenses on common facilities in India and overseas inclusive of expenses of common staff used interchangeably for all geographies is shown as unallocable expenditure and the same has not been apportioned across the Lines of Business.

ii) 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.

iii) The Company has merged the BFSI (Banking, Financial Services, Securities & Insurance) Line of Business into the BAP (Business Application Practice) Line of Business effective June 2005. Accordingly, figures for the previous period have been re-grouped.

**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

**C) General**

i) The above results were reviewed by the Audit Committee at their meeting on October 24, 2005 and approved by the Board of Directors of the Company at their meeting held on October 25, 2005.

ii) The financial results of Blue Star Infotech Limited for the quarter ended September 30, 2005 have been subjected to limited review by the Statutory Auditors.

iii) No investor complaints were pending at the beginning of the period. During the quarter ended September 30, 2005, 24 investor complaints were received and disposed of.

**Registered Office:**

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Worli,  
Mumbai 400 030

Website : www.bsil.com

Date: October 25, 2005

Place: Mumbai

**For BLUE STAR INFOTECH LIMITED**

**Suneel M. Advani  
Chairman and Managing Director**