

| Consolidated Audited Group Financial Results for the quarter and year ended March 31, 2007 | | | | | |
|--|---------------|---|-------------------|----------------------|----------------------|
| Quarter Ended | | Particulars | Nine Months Ended | Year Ended (Audited) | Year Ended (Audited) |
| 31.3.2007 | 31.3.2006 | | | | |
| | | | | | (Rs. in Millions) |
| | | | 31.12.2006 | 31.3.2007 | 31.3.2006 |
| 270.14 | 214.35 | Export Income | 695.57 | 965.71 | 736.51 |
| 71.42 | 51.24 | Domestic Income | 146.77 | 218.19 | 173.91 |
| 341.56 | 265.59 | Total Sales Revenue | 842.34 | 1,183.90 | 910.42 |
| 6.09 | 4.83 | Other Income (Refer Note C (i)) | 18.33 | 24.42 | 19.82 |
| 347.65 | 270.42 | Total Income | 860.67 | 1,208.32 | 930.24 |
| 171.75 | 123.66 | Staff Cost | 411.83 | 583.58 | 536.09 |
| 57.06 | 72.46 | Professional Fees / Service Charges | 179.56 | 236.62 | 132.37 |
| 19.94 | 10.35 | Travel and Conveyance | 77.04 | 96.98 | 57.85 |
| 49.18 | 34.85 | Other Expenditure (Refer Note C (i)) | 107.84 | 157.02 | 119.55 |
| 7.29 | 8.68 | Depreciation and Amortisation | 17.94 | 25.23 | 24.39 |
| 305.22 | 250.00 | Total Expenditure | 794.21 | 1,099.43 | 870.25 |
| 42.43 | 20.42 | Profit Before Taxation | 66.46 | 108.89 | 59.99 |
| 7.20 | (3.53) | Provision for Taxation (including Deferred and Foreign Tax) | 7.35 | 14.55 | 14.58 |
| 1.11 | 2.02 | Fringe Benefit Tax | 2.59 | 3.70 | 3.77 |
| 34.12 | 21.93 | Net Profit | 56.52 | 90.64 | 41.64 |
| 100.00 | 100.00 | Paid-up Equity Share Capital (face value Rs. 10) | 100.00 | 100.00 | 100.00 |
| 3.41 | 2.19 | Earnings Per Share (Rupees) -Basic and Diluted (Not Annualised) | 5.65 | 9.06 | 4.16 |

| Blue Star Infotech Limited (stand-alone) - Audited Financial Results for the quarter and year ended March 31, 2007 | | | | | |
|--|---------------|---|-------------------|----------------------|----------------------|
| Quarter Ended | | Particulars | Nine Months Ended | Year Ended (Audited) | Year Ended (Audited) |
| 31.3.2007 | 31.3.2006 | | | | |
| | | | | | (Rs. in Millions) |
| | | | 31.12.2006 | 31.3.2007 | 31.3.2006 |
| 152.17 | 111.97 | Export Income | 428.24 | 580.41 | 474.67 |
| 71.42 | 58.15 | Domestic Income | 146.77 | 218.19 | 173.91 |
| 223.59 | 170.12 | Total Sales Revenue | 575.01 | 798.60 | 648.58 |
| 7.15 | 4.79 | Other Income (Refer Note C (i)) | 17.20 | 24.35 | 21.59 |
| 230.74 | 174.91 | Total Income | 592.21 | 822.95 | 670.17 |
| 98.64 | 83.32 | Staff Cost | 290.17 | 388.81 | 300.54 |
| 38.46 | 28.52 | Professional Fees / Service Charges | 79.30 | 117.76 | 128.90 |
| 18.40 | 4.89 | Travel and Conveyance | 67.13 | 85.53 | 46.99 |
| 33.24 | 29.72 | Other Expenditure (Refer Note C (i)) | 86.49 | 119.73 | 89.78 |
| 6.97 | 5.91 | Depreciation and Amortisation | 17.20 | 24.17 | 23.37 |
| 195.71 | 152.36 | Total Expenditure | 540.29 | 736.00 | 589.58 |
| 35.03 | 22.55 | Profit Before Taxation | 51.92 | 86.95 | 80.59 |
| 0.13 | 4.19 | Provision for Taxation (including Deferred and Foreign Tax) | 7.24 | 7.37 | 22.29 |
| 1.03 | 2.02 | Fringe Benefit Tax | 2.67 | 3.70 | 3.78 |
| 33.87 | 16.34 | Net Profit | 42.01 | 75.88 | 54.52 |
| 100.00 | 100.00 | Paid-up Equity Share Capital (face value Rs. 10) | 100.00 | 100.00 | 100.00 |
| - | - | Reserves excluding revaluation reserves | - | 495.87 | 469.65 |
| 3.39 | 1.63 | Earnings Per Share (Rupees) -Basic and Diluted (Not Annualised) | 4.20 | 7.59 | 5.45 |
| Aggregate of public shareholding: | | | | | |
| 4,501,563 | 4,537,993 | - Number of shares | 4,501,563 | 4,501,563 | 4,537,993 |
| 45.02% | 45.38% | - Percentage of shareholding | 45.02% | 45.02% | 45.38% |

NOTES :

A) Segment Reporting

The Company considers its entire business / geographical operations as a single segment.

B) Consolidated Reporting

The consolidated financial data includes the results of the Company's wholly owned subsidiaries Blue Star Infotech America, Inc. and Blue Star Infotech (UK) Limited.

C) General

i) Other Income for the quarter ended March 31, 2007 includes rental income on lease of office premises - Rs. 5.07 Million (Mn) (Rs. 1.21 Mn for the quarter ended March 31, 2006) and gain on account of foreign currency fluctuation - Rs. Nil (Rs. 0.94 Mn for the quarter ended March 31, 2006). Other Expenditure for the quarter ended March 31, 2007 includes loss on account of foreign currency fluctuation - Rs. 4.32 Mn (Rs. Nil for the quarter ended March 31, 2006)

ii) The above results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors of the Company at their respective meetings held on May 15, 2007.

iii) In accordance with the requirements of Clause 41 of the Listing Agreement with the Stock Exchanges, the Statutory Auditors have performed an audit of the stand-alone and consolidated financial results of Blue Star Infotech Limited for the year ended March 31, 2007. There are no qualifications in the audit report issued for the said period. The audit of the subsidiary companies, whose financial results have been consolidated herein, have been audited by other firms of independent accountants.

iv) In view of Accounting Standard 15 (Revised 2005) "Employee Benefits" (AS-15) issued by the Institute of Chartered Accountants of India, employee benefits forming part of Staff Cost for the year ended March 31, 2007 have been arrived at on the basis of actuarial valuation determined in accordance with the said standard.

v) No investor complaints were pending at the beginning of the current quarter. During the quarter ended March 31, 2007, one investor complaint was received and disposed of.

vi) The Board has proposed a final dividend of Rs. 2 per share. The total dividend for the year is Rs. 4 per share, including the interim dividend of Rs. 2 per share.

Registered Office:

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Worli, Mumbai 400 030
Website: <http://www.bsil.com>

For BLUE STAR INFOTECH LIMITED

sd/-

Date: May 15, 2007

Place: Mumbai

Suneel M. Advani
Chairman and Managing Director