

**BLUE STAR INFOTECH LIMITED**

**Blue Star Infotech Limited (Consolidated) Un-audited Group Financial Results for the quarter and half year ended September 30, 2007**

Quarter Ended		Particulars	(Rs. in Millions)		
			Half Year Ended		Year Ended (Audited)
30.09.2007	30.09.2006		30.09.2007	30.09.2006	31.03.2007
294.23	256.69	Export Income	562.02	485.97	965.71
51.91	41.96	Domestic Income	114.20	92.42	218.19
<b>346.14</b>	<b>298.65</b>	<b>Total Sales Revenue</b>	<b>676.22</b>	<b>578.39</b>	<b>1,183.90</b>
5.61	5.66	Other Income (Refer Note B (iii) )	11.40	9.54	24.42
<b>351.75</b>	<b>304.31</b>	<b>Total Income</b>	<b>687.62</b>	<b>587.93</b>	<b>1,208.32</b>
175.62	145.79	Staff Cost	324.35	276.91	583.58
8.74	6.08	Cost of Products / Licences	33.45	17.01	37.34
88.56	77.06	Professional Fees / Service Charges	163.29	148.92	225.83
27.48	31.33	Travel and Conveyance	53.37	52.07	96.98
(1.23)	(3.44)	Foreign Exchange Loss / (Gain)	13.93	(13.08)	4.07
23.24	22.33	Other Expenditure	59.07	43.78	126.40
6.88	6.13	Depreciation and Amortisation	13.45	11.44	25.23
<b>329.29</b>	<b>285.28</b>	<b>Total Expenditure</b>	<b>660.91</b>	<b>537.05</b>	<b>1,099.43</b>
<b>22.46</b>	<b>19.03</b>	<b>Profit Before Taxation</b>	<b>26.71</b>	<b>50.88</b>	<b>108.89</b>
(0.30)	0.66	Provision for Taxation (including Deferred and Foreign Tax)	(0.70)	7.24	14.55
1.22	0.90	Fringe Benefit Tax	2.10	1.80	3.70
<b>21.54</b>	<b>17.47</b>	<b>Net Profit</b>	<b>25.31</b>	<b>41.84</b>	<b>90.64</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>
2.15	1.75	Earnings Per Share (Rupees) -Basic and Diluted (Not Annualised)	2.53	4.18	9.06

**Blue Star Infotech Limited (stand-alone) - Un-audited Financial Results for the quarter and half year ended September 30, 2007**

Quarter Ended		Particulars	(Rs. in Millions)		
			Half Year Ended		Year Ended (Audited)
30.09.2007	30.09.2006		30.09.2007	30.09.2006	31.03.2007
209.42	157.50	Export Income	375.68	283.99	580.41
52.39	41.96	Domestic Income	114.68	92.42	218.19
<b>261.81</b>	<b>199.46</b>	<b>Total Sales Revenue</b>	<b>490.36</b>	<b>376.41</b>	<b>798.60</b>
5.65	5.64	Other Income (Refer note B (iii) )	11.46	9.49	24.35
<b>267.46</b>	<b>205.10</b>	<b>Total Income</b>	<b>501.82</b>	<b>385.90</b>	<b>822.95</b>
141.76	104.21	Staff Cost	259.06	188.41	388.81
8.72	6.08	Cost of Products / Licences	32.19	17.01	37.34
42.31	25.01	Professional Fees / Service Charges	76.85	50.19	117.76
25.57	28.94	Travel and Conveyance	48.72	45.79	85.53
(1.32)	(3.34)	Foreign Exchange Loss / (Gain)	13.84	(12.98)	2.29
22.77	21.98	Other Expenditure	47.19	43.17	80.10
6.70	5.86	Depreciation and Amortisation	13.09	10.99	24.17
<b>246.51</b>	<b>188.74</b>	<b>Total Expenditure</b>	<b>490.94</b>	<b>342.58</b>	<b>736.00</b>
<b>20.95</b>	<b>16.36</b>	<b>Profit Before Taxation</b>	<b>10.88</b>	<b>43.32</b>	<b>86.95</b>
(0.30)	0.66	Provision for Taxation (including Deferred and Foreign Tax)	(0.70)	7.24	7.37
1.22	0.90	Fringe Benefit Tax	2.10	1.80	3.70
<b>20.03</b>	<b>14.80</b>	<b>Net Profit</b>	<b>9.48</b>	<b>34.28</b>	<b>75.88</b>
100.00	100.00	Paid-up Equity Share Capital (face value Rs. 10)	100.00	100.00	100.00
		Reserves excluding revaluation reserves			499.32
2.00	1.48	Earnings Per Share (Rupees) -Basic and Diluted (Not Annualised)	0.95	3.43	7.59
		<b>Aggregate of public shareholding:</b>			
4,501,563	4,510,763	- No. of shares	4,501,563	4,510,763	4,501,563
45.02%	45.11%	- Percentage of shareholding	45.02%	45.11%	45.02%

**NOTES :**

**A) 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.

**B) General**

i) 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 October 31, 2007.

ii) In accordance with the requirements of Clause 41 of the Listing Agreement with the Stock Exchanges, the Statutory Auditors have performed a limited review of the financial results of Blue Star Infotech Limited (stand-alone) for the quarter ended September 30, 2007. There are no qualifications in the limited review report issued for the said period.

iii) Other Income for the quarter ended September 30, 2007 includes rental income on lease of office premises - Rs. 5.21 Million (Mn) (Rs. 5.02 Mn for the quarter ended September 30, 2006).

iv) Consolidated revenue in US dollar terms was \$ 8.57 Mn for the quarter ended September 30, 2007 as compared to revenue of \$ 6.70 Mn for the corresponding quarter of the previous year. However, revenue in rupee terms shown in results above has been adversely impacted due to the appreciation of the rupee against the dollar in the current quarter as compared to the corresponding quarter of the previous year.

v) No investor complaints were pending at the beginning of the current quarter. During the quarter ended September 30, 2007, seven investor complaints were received and disposed of.

**Registered Office:**

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Website: www.bsil.com

**For BLUE STAR INFOTECH LIMITED**

Date: October 31, 2007

Place: Mumbai

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