



BLUE STAR INFOTECH LIMITED

Consolidated Un-audited Group Financial Results for the quarter and half year ended September 30, 2008

Quarter Ended		Particulars	(In Rs. Lakhs)		
30.09.2008	30.09.2007		Half Year Ended		Year Ended (Audited)
30.09.2008	30.09.2007		30.09.2008	30.09.2007	31.03.2008
3,309	2,942	Export Income	6,679	5,620	11,303
672	519	Domestic Income	1,299	1,142	3,054
3,981	3,461	Income from Operations	7,978	6,762	14,357
120	12	Other Operating Income (Foreign Exchange Gains (Net))	-	-	-
4,101	3,473	Total Operating Income	7,978	6,762	14,357
1,861	1,756	Staff Cost	3,732	3,243	7,095
603	886	Professional Fees / Service Charges	1,354	1,633	2,847
187	87	Cost of Products / Licences	392	335	1,244
218	275	Travel and Conveyance	515	534	1,113
-	-	Foreign Exchange Loss (Net)	308	139	128
322	232	Other Expenditure	575	591	1,387
62	69	Depreciation and Amortisation	121	134	278
3,253	3,305	Total Expenditure	6,997	6,609	14,092
848	168	Profit from Operations before Taxation	981	153	265
46	56	Other Income (Refer Note B (iv))	98	114	212
894	224	Profit Before Taxation	1,079	267	477
4	(3)	Provision for Taxation (including Deferred and Foreign Tax)	25	(7)	(64)
12	12	Fringe Benefit Tax	23	21	50
878	215	Net Profit	1,031	253	491
1,000	1,000	Paid-up Equity Share Capital (face value Rs. 10)	1,000	1,000	1,000
		Reserves excluding revaluation reserves			5,029
8.78	2.15	Earnings Per Share (Rupees) -Basic and Diluted (Not Annualised)	10.31	2.53	4.91
		Aggregate of public shareholding:			
4,713,250	4,501,563	- No. of shares	4,713,250	4,501,563	4,501,563
47.13%	45.02%	- Percentage of shareholding	47.13%	45.02%	45.02%

Quarter Ended		Particulars	(In Rs. Lakhs)		
30.09.2008	30.09.2007		Half Year Ended		Year Ended (Audited)
30.09.2008	30.09.2007		30.09.2008	30.09.2007	31.03.2008
2,690	2,094	Export Income	5,262	3,757	7,919
672	524	Domestic Income	1,299	1,147	3,054
3,362	2,618	Income from Operations	6,561	4,904	10,973
126	13	Other Operating Income (Foreign Exchange Gains (Net))	-	-	-
3,488	2,631	Total Operating Income	6,561	4,904	10,973
1,567	1,418	Staff Cost	2,961	2,591	5,364
591	423	Professional Fees / Service Charges	1,194	769	1,704
187	87	Cost of Products / Licences	391	322	1,231
189	256	Travel and Conveyance	461	487	1,021
-	-	Foreign Exchange Loss (Net)	283	138	148
251	228	Other Expenditure	447	472	938
60	67	Depreciation and Amortisation	117	131	270
2,845	2,479	Total Expenditure	5,854	4,910	10,676
643	152	Profit from Operations before Taxation	707	(6)	297
45	57	Other Income (Refer note B (iv))	88	115	215
688	209	Profit before Taxation	795	109	512
-	(3)	Provision for Taxation (including Deferred and Foreign Tax)	12	(7)	(40)
12	12	Fringe Benefit Tax	23	21	51
676	200	Net Profit	760	95	501
1,000	1,000	Paid-up Equity Share Capital (face value Rs. 10)	1,000	1,000	1,000
-	-	Reserves excluding revaluation reserves	-	-	5,202
6.76	2.00	Earnings Per Share (Rupees) -Basic and Diluted (Not Annualised)	7.60	0.95	5.01
		Aggregate of public shareholding:			
4,713,250	4,501,563	- No. of shares	4,713,250	4,501,563	4,501,563
47.13%	45.02%	- Percentage of shareholding	47.13%	45.02%	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 30, 2008.
- ii) Pursuant to the Announcement 'Accounting for Derivatives' by the Institute of Chartered Accountants of India, the Company has adopted Accounting Standard 30, Financial Instruments: Recognition and Measurement, prescribed by the Institute of Chartered Accountants of India, during the quarter ended September 30, 2008. Consequently, outstanding forward contracts for which there are no underlying account balances have been treated as highly probable forecast transactions based on historic trends. Accordingly, losses arising on 'mark to market' of such open forward contracts have been accumulated in 'Hedging Reserve Account'. The net losses transferred to Hedging Reserve Account during the quarter ended September 30, 2008 amounts to Rs.596 Lakhs. The Company uses forward contracts as economic hedges and not for trading or speculative purposes.
- iii) 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 for the quarter and half year ended September 30, 2008. There are no qualifications in the limited review report issued for the said period. The statutory auditors had performed a limited review of only the stand-alone financial results of the Company for the corresponding quarter and half year ended September 30, 2007. There were no qualifications in the limited review report issued for the quarter and half year ended September 30, 2007.
- iv) Other Income for the quarter ended September 30, 2008 includes rental income on lease of office premises - Rs. 38 Lakhs (Rs. 52 Lakhs for the quarter ended September 30, 2007).
- v) The Company considers its entire business / geographical operations as a single segment.
- vi) No investor complaints were pending at the beginning of the current quarter. During the quarter ended September 30, 2008, thirteen investor complaints were received and disposed of.
- vii) The Company's standalone results are available on the websites of the Company, the Bombay Stock Exchange Limited, Mumbai and National Stock Exchange of India Limited.

Registered Office:

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For BLUE STAR INFOTECH LIMITED

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Suneel M. Advani

Chairman and Managing Director

Date: October 30, 2008

Place: Mumbai