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LIMITED REVIEW REPORT

The Board of Directors
Blue Star Infotech Limited

1. We have reviewed the accompanying statement of Un-audited Financial Results of **Blue Star Infotech Limited** (the 'Company') (the 'Statement') for the quarter and nine months ended December 31, 2011, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited or reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a review report on this Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



B

Walker, Chandiook & Co

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed or that it contains any material misstatement.



For Walker, Chandiook & Co
Chartered Accountants
Firm Registration No: 001076N



per Khushroo B. Panthaky
Partner
Membership No: F-42423

Place: Mumbai

Date: 17 January 2012



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LIMITED REVIEW REPORT

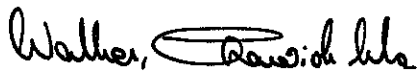
The Board of Directors
Blue Star Infotech Limited

1. We have reviewed the accompanying statement of Consolidated Un-audited Group Financial Results (the 'Statement') of **Blue Star Infotech Limited** (the 'Company') and its subsidiaries (collectively referred to as the 'Group') for the quarter and nine months ended December 31, 2011, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited or reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a review report on this Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

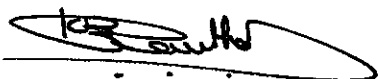


Walker, Chandiook & Co

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed or that it contains any material misstatement.



For **Walker, Chandiook & Co**
Chartered Accountants
Firm Registration No: 001076N



per **Khushroo B. Panthaky**
Partner
Membership No: F-42423

Place: Mumbai

Date: 17 January 2012



Consolidated Un-audited Group Financial Results for the Quarter and Nine Months Ended December 31, 2011

(Rs. Lakhs)

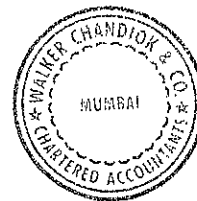
| Quarter Ended | | | Particulars | Nine Months Ended | | Year Ended (Audited) |
|---|-----------------|-----------------|--|-------------------|-----------------|----------------------|
| 31.12.2011 | 30.09.2011 | 31.12.2010 | | 31.12.2011 | 31.12.2010 | 31.03.2011 |
| 2,022.63 | 1,943.18 | 2,169.44 | Export Income | 5,884.42 | 6,922.33 | 9,055.01 |
| 887.50 | 888.11 | 828.48 | Domestic Income | 2,688.67 | 2,161.80 | 2,971.37 |
| 2,910.13 | 2,831.29 | 2,997.92 | Income from Operations | 8,573.09 | 9,084.13 | 12,026.38 |
| - | 192.48 | 25.01 | Other Operating Income (foreign exchange gain) | 263.62 | 179.40 | 247.99 |
| 2,910.13 | 3,023.77 | 3,022.93 | Total Operating Income | 8,836.71 | 9,263.53 | 12,274.37 |
| 1,816.97 | 1,887.83 | 1,774.47 | Staff Cost | 5,586.53 | 5,467.90 | 7,331.57 |
| 271.16 | 255.95 | 331.20 | Professional Fees | 802.65 | 977.06 | 1,279.94 |
| 85.80 | 174.66 | 262.28 | Cost of Products / Licences | 532.02 | 505.56 | 657.58 |
| 157.15 | 146.48 | 152.97 | Travel and Conveyance | 514.49 | 598.95 | 747.22 |
| 4.77 | - | - | Foreign Exchange Loss (Net) | - | - | - |
| 73.22 | 78.53 | 59.19 | Depreciation and Amortisation | 217.62 | 169.51 | 232.87 |
| 385.74 | 363.44 | 332.29 | Other Expenditure | 1,101.25 | 979.41 | 1,359.73 |
| 2,794.81 | 2,906.89 | 2,912.40 | Total Expenditure | 8,754.56 | 8,698.39 | 11,608.91 |
| 115.32 | 116.88 | 110.53 | Profit from Operations before Other Income and Taxation | 82.15 | 565.14 | 665.46 |
| 123.84 | 127.08 | 187.37 | Other Income (Refer Note B (iv)) | 383.79 | 510.53 | 637.25 |
| 239.16 | 243.96 | 297.90 | Profit Before Taxation and Exceptional Item | 465.94 | 1,075.67 | 1,302.71 |
| - | - | (30.20) | Exceptional Item | - | (64.18) | (64.18) |
| 239.16 | 243.96 | 267.70 | Profit Before Taxation | 465.94 | 1,011.49 | 1,238.53 |
| 156.74 | 75.43 | 53.77 | Provision for Taxation (including Deferred and Foreign Tax) | 264.55 | 163.99 | 398.68 |
| 82.42 | 168.53 | 213.93 | Net Profit | 201.39 | 847.50 | 839.85 |
| 1,038.50 | 1038.50 | 1000.00 | Paid-up Equity Share Capital (face value Rs. 10) | 1,038.50 | 1000.00 | 1000.00 |
| - | - | - | Reserves excluding revaluation reserves | - | - | 7,445.02 |
| 0.79 | 1.67 | 2.14 | Earnings Per Share (Rupees) -Basic and Diluted (Not Annualised) | 1.98 | 8.48 | 8.40 |
| Aggregate of public shareholding: | | | | | | |
| 4,844,055 | 4,847,280 | 4,462,280 | - Number of shares | 4,844,055 | 4,462,280 | 4,462,280 |
| 46.64% | 46.68% | 44.62% | - Percentage of shareholding | 46.64% | 44.62% | 44.62% |
| Aggregate of promoter and promoter group shareholding: | | | | | | |
| a) Pledged / Encumbered | | | | | | |
| Nil | Nil | Nil | - Number of shares | Nil | Nil | Nil |
| NA | NA | NA | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | NA | NA | NA |
| NA | NA | NA | - Percentage of shares (as a % of the total share capital of the Company) | NA | NA | NA |
| b) Non-encumbered | | | | | | |
| 5,540,945 | 5,537,720 | 5,537,720 | - Number of shares | 5,540,945 | 5,537,720 | 5,537,720 |
| 100% | 100% | 100% | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100% | 100% | 100% |
| 53.36% | 53.32% | 55.38% | - Percentage of shares (as a % of the total share capital of the Company) | 53.36% | 55.38% | 55.38% |



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Blue Star Infotech Limited (stand-alone) - Un-audited Financial Results for the Quarter and Nine Months Ended December 31, 2011

| Quarter Ended | | | Particulars | Nine Months Ended | | Year Ended |
|---|-----------------|-----------------|--|-------------------|-----------------|------------------|
| 31.12.2011 | 30.09.2011 | 31.12.2010 | | 31.12.2011 | 31.12.2010 | (Audited) |
| 1,690.21 | 1,622.25 | 1,705.80 | Export Income | 4,878.74 | 5,503.71 | 7,228.81 |
| 887.50 | 888.11 | 828.48 | Domestic Income | 2,688.67 | 2,161.80 | 2,971.37 |
| 2,577.71 | 2,510.36 | 2,534.28 | Income from Operations | 7,567.41 | 7,665.51 | 10,200.18 |
| 0.75 | 185.18 | 25.40 | Other Operating Income (foreign exchange gain) | 252.06 | 161.94 | 219.40 |
| 2,578.46 | 2,695.54 | 2,559.68 | Total Operating Income | 7,819.47 | 7,827.45 | 10,419.58 |
| 1,350.14 | 1,477.25 | 1,309.85 | Staff Cost | 4,245.72 | 4,018.12 | 5,386.79 |
| 401.95 | 401.52 | 437.25 | Professional Fees / Service Charges | 1,205.79 | 1,243.52 | 1,696.75 |
| 85.80 | 174.66 | 262.28 | Cost of Products / Licences | 532.02 | 505.56 | 657.58 |
| 112.30 | 100.28 | 135.83 | Travel and Conveyance | 374.22 | 521.88 | 629.24 |
| 71.91 | 77.21 | 57.81 | Depreciation and Amortisation | 213.66 | 165.85 | 1,136.91 |
| 310.80 | 313.56 | 269.55 | Other Expenditure | 918.72 | 805.15 | 227.84 |
| 2,332.90 | 2,544.48 | 2,472.57 | Total Expenditure | 7,490.13 | 7,260.08 | 9,735.11 |
| 245.56 | 151.06 | 87.11 | Profit from Operations before Other Income and Taxation | 329.34 | 567.37 | 684.47 |
| 122.51 | 125.34 | 142.76 | Other Income (Refer note B (iv)) | 380.62 | 434.12 | 583.93 |
| 368.07 | 276.40 | 229.87 | Profit Before Taxation and Exceptional Item | 709.96 | 1,001.49 | 1,268.40 |
| - | - | (30.20) | Exceptional Item | - | (64.18) | (64.18) |
| 368.07 | 276.40 | 199.67 | Profit Before Taxation | 709.96 | 937.31 | 1,204.22 |
| 140.00 | 55.00 | 40.00 | Provision for Taxation (including Deferred and Foreign Tax) | 210.00 | 145.00 | 376.74 |
| 228.07 | 221.40 | 159.67 | Net Profit | 499.96 | 792.31 | 827.48 |
| 1,038.50 | 1,038.50 | 1,000.00 | Paid-up Equity Share Capital (face value Rs. 10) | 1,038.50 | 1,000.00 | 1,000.00 |
| - | - | - | Reserves excluding revaluation reserves | - | - | 7,378.04 |
| 2.20 | 2.20 | 1.60 | Earnings Per Share (Rupees) -Basic and Diluted (Not Annualised) | 4.91 | 7.92 | 8.27 |
| Aggregate of public shareholding: | | | | | | |
| 4,844,055 | 4,847,280 | 4,462,280 | - Number of shares | 4,844,055 | 4,462,280 | 4,462,280 |
| 46.64% | 46.68% | 44.62% | - Percentage of shareholding | 46.64% | 44.62% | 44.62% |
| Aggregate of promoter and promoter group shareholding: | | | | | | |
| a) Pledged / Encumbered | | | | | | |
| Nil | Nil | Nil | - Number of shares | Nil | Nil | Nil |
| NA | NA | NA | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | NA | NA | NA |
| NA | NA | NA | - Percentage of shares (as a % of the total share capital of the Company) | NA | NA | NA |
| b) Non-encumbered | | | | | | |
| 5,540,945 | 5,537,720 | 5,537,720 | - Number of shares | 5,540,945 | 5,537,720 | 5,537,720 |
| 100% | 100% | 100% | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100% | 100% | 100% |
| 53.36% | 53.32% | 55.38% | - Percentage of shares (as a % of the total share capital of the Company) | 53.36% | 55.38% | 55.38% |



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NOTES :

A) Consolidated Reporting

The consolidated financial information 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 January 17, 2012.

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 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 (debit balance) during the quarter ended December 31, 2011 amounts to Rs. 720.24 Lakhs. The Company uses forward contracts as economic hedges and not for trading or speculative purposes.

iii) Blue Star Infotech America, Inc. (BSIA), the wholly owned subsidiary of the Company has formed a Joint Venture Company viz., Blue7 Solutions, LLC (Blue7) based out of USA, in accordance with a joint venture agreement with a leading Travel Services company.. Blue7 is a subsidiary of BSIA and has commenced business activities in January 2012.

iv) 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 stand-alone and consolidated financial results of Blue Star Infotech Limited for the quarter and nine months ended December 31, 2011. There are no qualifications in the limited review report issued for the said period.

v) Other Income for the quarter ended December 31, 2011 includes rental income on lease of office premises - Rs. 98.12 Lakhs (Rs. 111.30 Lakhs for the quarter ended December 31, 2010).

vi) The Company considers its entire business / geographical operations as a single segment. There are no separate reportable segments as per Accounting Standard 17, Segment Reporting.

vii) No investor complaints were pending at the beginning of the current quarter. During the quarter ended December 31, 2011, 16 (Sixteen) investor complaints were received and disposed of.

viii) The Company has designated an exclusive e-mail id viz. Investor.Relations@bsil.com for investor grievance redressal.

ix) 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:

8th Floor, The Great Oasis
MIDC, Andheri (East)
Mumbai 400 093
Website: www.bsil.com

Date: January 17, 2012
Place: Mumbai

For BLUE STAR INFOTECH LIMITED



Sunil Bhatia

Chief Executive Officer and Managing Director

