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LIMITED REVIEW REPORT

To the Board of Directors of 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"), its subsidiaries and joint ventures (collectively referred to as the "Group") for the quarter ended 30 September 2012 and the year to date results for the period 1 April 2012 to 30 September 2012, 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 report on the 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.
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

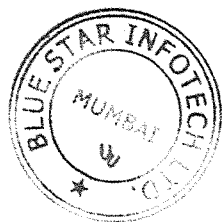


per **Khushroo B. Panthaky**
Partner
Membership No: F-42423
Place: Mumbai
Date: 17 October 2012

Consolidated Un-audited Group Financial Results for the Quarter and Half Year Ended September 30, 2012

(Rs. in Lakhs)

Quarter Ended (Unaudited)			Particulars	Half Year Ended (Unaudited)		Year Ended (Audited)
30.09.2012	30.06.2012	30.09.2011		30.09.2012	30.09.2011	31.03.2012
			Income from operations			
4,058.25	3,136.56	1,943.18	Export income	7,194.81	3,861.79	8,951.80
866.18	811.26	888.11	Domestic income	1,677.44	1,801.17	3,645.97
4,924.43	3,947.82	2,831.29	Income from operations	8,872.25	5,662.96	12,597.77
-	-	192.48	Other operating income (foreign exchange gain, net)	-	268.39	183.03
4,924.43	3,947.82	3,023.77	Total operating income	8,872.25	5,931.35	12,780.80
2,591.30	1,997.64	1,887.83	Employee benefits expense	4,588.94	3,769.56	7,370.98
1,299.67	1,335.40	255.95	Professional fees	2,635.07	531.49	2,221.60
80.50	51.87	174.66	Cost of products / licences	132.37	446.22	645.67
184.28	134.56	146.48	Travel and conveyance	318.84	357.34	663.81
276.59	30.33	-	Foreign exchange loss (net)	306.92	-	-
67.96	66.43	78.53	Depreciation and amortisation	134.39	144.40	301.35
433.95	401.61	363.44	Other expenses	835.56	715.51	1,559.80
4,934.25	4,017.84	2,906.89	Total expenses	8,952.09	5,964.52	12,763.21
(9.82)	(70.02)	116.88	Profit/(loss) from operations before other income and finance costs	(79.84)	(33.17)	17.59
202.16	188.77	127.08	Other income (refer note B (iv))	390.93	259.95	662.23
192.34	118.75	243.96	Profit from ordinary activities before finance costs	311.09	226.78	679.82
5.88	1.56	-	Finance costs	7.44	-	-
186.46	117.19	243.96	Profit from ordinary activities before tax	303.65	226.78	679.82
51.83	27.55	75.43	Tax expense	79.38	107.81	322.74
134.63	89.64	168.53	Net profit for the period	224.27	118.97	357.08
1,038.50	1,038.50	1,038.50	Paid-up equity share capital (face value Rs. 10)	1,038.50	1,038.50	1,038.50
-	-	-	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	7,187.02
1.30	0.86	1.67	Earnings per share (Rupees) -Basic and Diluted (Not annualised)	2.16	1.18	3.49
			Particulars of shareholding			
			Public shareholding:			
4,851,030	4,847,280	4,847,280	- Number of shares	4,851,030	4,847,280	4,847,280
46.71%	46.68%	46.68%	- Percentage of shareholding	46.71%	46.68%	46.68%
			Promoter and Promoter Group Shareholding:			
			a) Pledged / Encumbered			
Nil	Nil	Nil	- Number of shares	Nil	Nil	Nil
N A	N A	N A	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	N A	N A	N A
N A	N A	N A	- Percentage of shares (as a % of the total share capital of the Company)	N A	N A	N A
			b) Non-encumbered			
5,533,970	5,537,720	5,537,720	- Number of shares	5,533,970	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%
53.29%	53.32%	53.32%	- Percentage of shares (as a % of the total share capital of the Company)	53.29%	53.32%	53.32%



NOTES :

A) Consolidated Reporting

The consolidated financial information includes the results of the Company's wholly owned subsidiaries, Blue Star Infotech America, Inc., Blue Star Infotech (UK) Limited, Blue Star Infotech (Singapore) Pte. Ltd., Blue Star Infostack Solutions Pte. Ltd. (subsidiary in Singapore) and Joint Venture Company, Blue7 Solutions LLC (60% Shareholding).

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 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 loss transferred out of Hedging Reserve Account during the quarter ended September 30, 2012 amounts to Rs. 440.00 Lakhs (net loss of Rs. 528.75 Lakhs transferred to Hedging Reserve Account for the quarter ended September 30, 2011). 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 stand-alone and consolidated financial results of Blue Star Infotech Limited for the quarter and half year ended September 30, 2012. There are no qualifications in the limited review report issued for the said period.

iv) Other Income for the quarter ended September 30, 2012 includes rental income on lease of office premises - Rs. 110.86 Lakhs (Rs. 98.34 Lakhs for the quarter ended September 30, 2011).

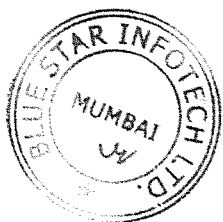
v) The Company considers its entire business / geographical operations as a single segment. There are no separate reportable segments as per Accounting Standard 17, Segment Reporting.

vi) In order to cater to its new export projects, the Company had applied to SEEPZ-SEZ authorities for a new unit. The unit was allotted to the Company on 29th August 2012 and is situated at 181-B, SDF - VI, SEEPZ-SEZ, Mumbai-96. The unit will be fully functional in October 2012.

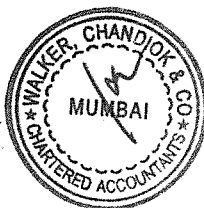
vii) The Company has designated an exclusive e-mail id viz. Investor.Relations@bsil.com for investor grievance redressal.

viii) 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.

ix) Previous period's figures have been re-grouped/rearranged wherever necessary to make their classification comparable with the current period.

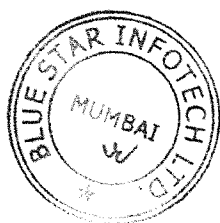


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C) Statement of Assets and Liabilities

i) Consolidated Statement of Assets and Liabilities as at September 30, 2012		(Rs. in Lakhs)	
Particulars	Unaudited As at 30.09.2012	Audited As at 31.03.2012	
EQUITY AND LIABILITIES			
Shareholders' Funds:			
Share capital	1,038.50	1,038.50	
Reserves and surplus	7,485.29	7,187.02	
Sub-total - Shareholders' funds	8,523.79	8,225.52	
Non-current liabilities			
Deferred tax liabilities (Net)	151.36	150.62	
Long-term provisions	72.62	88.35	
Other long-term liabilities	331.58	266.37	
Sub-total - Non-current liabilities	555.56	505.34	
Current liabilities			
Short-term borrowings	229.21	-	
Trade payables	986.21	638.68	
Other current liabilities	1,827.48	1,764.73	
Short-term provisions	79.86	299.00	
Sub-total - Current liabilities	3,122.76	2,702.41	
TOTAL - EQUITY AND LIABILITIES	12,202.11	11,433.27	
ASSETS			
Non-current assets			
Fixed assets	2,066.11	2,167.91	
Goodwill on consolidation	114.88	-	
Non-current investments	276.59	215.18	
Long-term loans and advances	1,783.10	2,687.65	
Other non-current assets	568.87	41.75	
Sub-total - Non-current assets	4,809.55	5,112.49	
Current assets			
Current investments	802.73	555.34	
Trade receivables	4,236.74	2,853.19	
Cash and cash equivalents	1,292.13	2,280.50	
Short-term loans and advances	518.15	347.15	
Other current assets	542.81	284.60	
Sub-total - Current assets	7,392.56	6,320.78	
TOTAL - ASSETS	12,202.11	11,433.27	



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