

Proceedings of the 18th Annual General Meeting held on 21st July 2015

PROCEEDINGS OF THE EIGHTEENTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF BLUE STAR INFOTECH LIMITED HELD ON TUESDAY, JULY 21, 2015 AT JAI HIND COLLEGE HALL, 23-24, BACKBAY RECLAMATION, SITARAM DEORA MARG ('A' ROAD), CHURCHGATE, MUMBAI - 400 020 WHICH COMMENCED AT 03.00 PM AND CONCLUDED AT 04.10 PM

PERSONS PRESENT:

Fifty one (51) members (including authorised representatives of corporate shareholders), whose names are recorded in the relevant attendance slips, were present in person.

There were no proxies.

The following Directors were present at the meeting:

DIRECTORS

Mr. Suneel M. Advani	- Chairman and Managing Director
Mr. Ashok M. Advani	- Vice Chairman / Director
Mr. Sunil Bhatia	- Chief Executive Officer and Managing Director
Dr. Prakash G Hebalkar	- Independent Director
Mr. Suresh N Talwar	- Independent Director
Mr. Naresh K Malhotra	- Independent Director / Chairman of the Audit Committee
Mr. K.P.T. Kutty	- Independent Director
Ms. Kalpana Trivedi	- Additional Director

Mr. Sanjay Vaswani, Director was not present at the meeting as he had prior commitments in the US.

IN ATTENDANCE

Mr. Aloke Ghosh	- Chief Financial Officer and Company Secretary
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CHAIRMAN

Mr. Suneel M. Advani, Chairman of the Board of Directors and Chairman and Managing Director of the Company, presided over the Meeting. He declared that the members present constituted a valid quorum and called the meeting to order.

The Chairman and Managing Director welcomed the Members attending the meeting. He thereafter introduced the Board of Directors to the members and the Chief Financial Officer and Company Secretary in attendance.



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NOTICE

With the consent of the Members, the Notice for the Meeting was taken as read.

This was followed by the speech of the Chairman, Mr. Suneel M Advani.

CHAIRMAN'S SPEECH

Welcome:

Ladies and Gentlemen, Good Afternoon!

I welcome all of you to the 18th Annual General Meeting of your Company.

Your company did well in the year gone by. Beginning with an overview of the global business environment, I will explain the company's performance for the financial year ended March 2015. I will also share some of the significant wins we had, and then hand over to your CEO, Sunil Bhatia who will give a more detailed analysis of the last financial year.

Global Situation:

The global economic scenario continued to remain uneven during the year 2014-15. The US economy (our largest market) grew by 2.4% year as against 2.2% in the previous year. Market sentiment in Europe now looks somewhat positive, but has undergone significant turmoil over this year.

The global economy remains volatile and uncertain- which means that very few companies commit to large or long term investments. Most companies in our addressed markets have adopted a "wait-and-watch" approach.

On home turf, our economy is stable. The new government has initiated reforms in some political and social sectors to move the economy to a faster growth track. External factors such as the sharp drop in oil and other commodity prices have contributed to an improvement in India's near term economic fundamentals. The government's vision of technology-enabled India campaigns such as Make in India and Digital India will further boost growth prospects for the domestic IT market.

At the same time, the business and technology landscape is changing continuously and rapidly. As organizations around the world seek competitive advantage ever more frenetically, investments in new technologies such as Smart Computing, Internet of Things (IOT), Cloud Computing, Mobility and Analytics are on the rise. To win customers in this digital era, IT businesses need to deliver digitally connected products and services which can meet customer expectations with respect to speed and cost of doing business, as well as competitive advantage. According to NASSCOM, the IT-BPM industry recorded steady



Advani

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growth in FY 2014-15, with worldwide spends at nearly USD 2.3 trillion, a growth of 4.6% over 2013. Exports to the USA, our largest market, grew above industry average. Europe remained steady during the first half of the year, but softened during the second half due to currency movements and economic challenges.

In the past, I had spoken to you about our investments in new age solutions. Our investments in R&D and IP based solutions deliver real competitive value to our clients. Our persistence over the past three years in this direction has shown positive results. One of our most prominent wins in FY 2014-15 has been in the digital space. Our innovative Mobile Vacation Planner solution is helping a leading travel service provider in the UK embark on a major digital journey. A number of customers and prospects have already engaged us in evaluating these products for the North America market, and we foresee a lot of opportunities for building and sustaining our solutions.

Financial performance:

From a financial perspective, for the year under review, your company delivered mixed results. Although revenue remained flat at Rs.270.64 crores, PAT grew nicely by 22%, and touched Rs.18.16 crores as compared to Rs.14.87 crores in the previous year. The improvement in profitability was due primarily to our strategic focus on winning high-value projects with good profit margins. We also concentrated on existing accounts with good growth potential – and pruned our portfolio where the relationship did not hold long term profit improvement opportunities, or were too small to warrant senior management attention.

The company's cash and cash equivalents grew by Rs.13 crores and stood at Rs. 34.40 crores, while the accumulated reserves stood at Rs.104.63 crores, growing by Rs.14.38 crores. We require this cash surplus to further fuel our growth through strategic investments, particularly in building capabilities and solutions in the digital space. The Board of Directors have therefore proposed a dividend at the same rate as last year of 40%, i.e. Rs. 4/- per share on a face value of Rs. 10/- for the year 2014-15. The dividend pay-out will result in an outgo of over Rs. 5.22 crore including taxes, permitting a retained profit of Rs. 12.94 crores for strategic investment.

The most notable change has been in the company's market capitalisation which stood at Rs. 215.46 crores as against Rs. 121.82 crores the year before (This has risen further to Rs. 235 crores in mid-July, reflecting growing investor confidence). The company's value has grown almost 80% in a year's time and this indicates our success in gaining investors' confidence. The company also touched the highest share price of Rs. 252 per share in September 2014. Earnings per share grew from Rs. 14.32 to Rs. 17.18 in FY 2014-15.

Significant wins:

We have had some significant developments this year in terms of client engagements. We had identified key accounts early in the year in order to further strengthen our relationship with them. I will share four significant stories...



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1. We reached the milestone of "A Million Dollar per month" billing at HP, thanks to the steep ramp up of our team in India. This is a first such milestone in history of Our Company. We doubled the team in Q4 (compared to Q3) across Development, Testing and Sys Admin roles.
2. We are also partnered with a multi-billion Fortune 500 company in the travel domain, for whom are deploying projects across 24 global locations. We have opened up 13 new service lines for them. This has resulted in the doubling of our business with this client.
3. Another key account with a leading payroll service provider crossed the \$1m revenue mark in 6 months since inception. This is a record breaking achievement for us, since no customer of ours thus far has reached \$1m revenues so quickly.
4. An existing client who is a global clinical trial management solutions provider, has become the first non-HP account to have a 100+ member team.

The current year:

I am happy to inform you that for the 1st Quarter of 2015-16, the company has delivered a robust performance. Total Income grew by 15% compared to the 1st Quarter of last year, to 74.3 crores, and Net Profit grew by 134% and stood at Rs. 7.3 crores.

Sunil Bhatia, in his address to you, will share more details on how we are maintaining this momentum and addressing new challenges.

On behalf of the entire Company, its Board of Directors and its leadership team, I thank all shareholders for their unwavering support to the Company. I look forward to your continued support and encouragement as your Company embarks on the next phase of its growth.

Thank You,
Suneel Advani

The Chairman, after concluding his speech, requested **Mr. Sunil Bhatia**, Chief Executive Officer and Managing Director, to address the members present in the meeting:-

Mr. Sunil Bhatia's Speech is reproduced as follows:

Welcome:

Thank you Mr. Chairman!

Dear Shareholders, Good Afternoon! It gives me immense pleasure to welcome you all to the 18th Annual General Meeting of your Company.

The year that was:



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The Chairman gave us a broad look at the Company's performance in the last fiscal year. I would explain the strategies we pursued - what went right, and how we combated some of the challenges. I would also unfold some future plans that we discussed this morning at our Board Meeting – the opportunities ahead and how we plan to tap the evolving digital market while mitigating operational risks and challenges.

For the year under review, your company witnessed a remarkable upswing in profitability with relatively stable revenue figures. This was a result of our strategic focus on improving bottom line growth and consciously deciding to close some low-margin businesses to focus on quality accounts.

Among the important developments that happened last year, we made significant inroads into our existing large accounts through focussed account mining. These include a leading US based technology company, a leading global clinical trial management solutions provider, a global travel provider and a leading payroll service company among others. I am elated with their response and feel glad to share that our clients are appreciating our value adding services and involving us in high-value critical projects. All of these clients are conglomerates operating globally and can help us grow multiple times. This success has been triggered by, and also sustains, our drive for "focus", which I'll explain now.

Focus areas:

To strengthen our strategic roadmap, we focused on a few key areas last year:

1. Reducing business complexity
2. Focusing on key strategic accounts
3. A roadmap to make the company digitally ready
4. Strengthening our core asset – Human Capital

At the beginning of last year, we took a decision to drastically streamline our operations and reduce complexity in our business, to be more nimble, agile and responsive. We understood that our resources, especially management bandwidth, are best used in a focussed manner, and not dispersed widely.

Also, with an understanding of the volatility in major economies and consequent uncertainty in IT spending amongst our customer base, we decided to focus on customers where we are seen as providing significant business value, and where we could aim to become true partners to our customers.



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Towards this, we studied our customers for their current and future revenue potential, and consciously exited un-remunerative accounts, businesses and product lines. We also decided to tighten our focus on our core verticals – Travel & Hospitality, Hi-tech and Healthcare along with OPD+ and Digital Transformation as key services.

Travel & Hospitality continues to be the largest contributor to our total revenues, contributing almost 30%. We have moved significantly from being a generic IT Services Company toward positioning ourselves as a high-end Digital Transformation Solutions provider. We worked on developing IP based solutions for our T&H vertical – Mobile Vacation Planner and SmartRetreat. I am happy that we had our first IP based sale last year to one of the world's largest travel services providers. The client chose us ahead of many Tier 1 global service providers. This is also a significant win in terms of our entry into the digital space. The client wants to explore conducting their business online in addition to their brick and mortar facilities. We are helping the client in multiple ways to improve customer engagement and generate newer channels of revenue.

We have a number of in-house POCs underway to check the utility of the latest in technology - such as IoT, Beacons, etc. In time, some of these may evolve into a new set of solutions just like the IP solution I just mentioned. In order to service our clients better by cross-leveraging our experience for enterprise and technology customers, last year we consolidated our Product Engineering, BAP (Business Application and Programming) and Consulting Services Practice (CSP) under one unit as Outsourced Product Development (OPD+). I am happy to report that on a like-to-like basis, OPD+ has achieved the highest ever revenue this year, contributing to 50% of the overall revenues in the last fiscal year, and added 8 important new customers. In addition, 6 accounts crossed the million dollar mark.

Another key area which has shown tremendous potential is our Testing practice. Two years ago, we decided to focus on testing and we invested in developing our internal skills, resources and domain experts. We developed a comprehensive testing methodology and multiple test optimization tools that maximize the speed and accuracy of software testing processes. Our testing expertise has now been recognised and is valued by many of our clients. Last year, we helped our oldest customer, Hewlett Packard (HP), to globally launch a cloud based mobile security and mobile device management solution "Touchpoint Manager" in record time. We reduced the test cycle time from 2 weeks to 2 days. A dedicated mobile testing lab with 40+ non-HP devices was setup for the client on our premises who was able to save around 50% of his cost through this offshore set-up.

As an outcome of our strategy of "focus", at the beginning of the year, the management committee took a decision to provide more resources and management bandwidth to high-



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value clients, to nurture and develop those relationships which can really pave the way for our future growth. This has necessitated investments in governance, communications, travel, and subject matter expertise. Similar investments will continue for at least another year, and the initial result of such investments is already in front of you.

Digital focus:

This is in an interesting time to be in the technology industry. With every passing day, the global economy is becoming more technology oriented. Despite a challenging macroeconomic environment, which compelled most organizations to moderate overall investments, technology related investments are on the rise, globally. Organizations today are seeking technology partners who can help them stay relevant. Rapid up-scaling of capabilities around emerging technologies is the need of the day. We have invested in developing IP and frameworks in the past, and that investment has started paying off as I mentioned earlier. Our need is now to accelerate such investment in IP, in solutions, in expertise and tools in order to march ahead confidently.

To further strengthen our capabilities, we are partnering with leading global technology companies. We have been recognised as a preferred SAS partner in Singapore. This alliance will help us offer advanced analytics and BI solutions to our existing and prospective clients. I am proud to say that in one of the pre-eminent technology awards program in Asia Pacific- the Deloitte Technology Fast 500- we have been recognised as one of the fastest growing technology companies. We have also been recognised by Zinnov, a leading management consultancy firm as a Leader in Outsourced Software Development.

Human Resources – Our Core Strength

In the IT industry, employees are core assets for building a high performance organisation. We have taken several steps to enhance our employee engagement level and improve productivity, by increasing transparency and enhancing two-way communications. Training is conducted throughout the year to hone the skills of our technical resources, to keep them abreast of the latest technologies. Various workshops on leadership development, soft skills, and fitness & well-being programs are organised periodically. We provide a conducive, collaborative work environment, and an open culture where employees feel free to communicate with any senior management personnel.

Summary:



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Going forward, we face much change and multiple challenges – a volatile macro-economy, demanding customer expectations, digitisation and regulatory changes across the globe. However, your company is prepared to embrace the volatility and evolve continuously.

As we continue to improve our focus, we have a clear roadmap to work towards. We understand the areas where we can win, we are continuously working towards building future-ready solutions, and we are constantly evolving our services and processes to match customer expectations. I am confident that together we can build a strong Digital-Ready Blue Star Infotech.

And lastly, I would like to thank all our shareholders for their continued trust and support. We will continue to strive to meet the high standards we have set for ourselves.

Thank you again!

Sunil Bhatia

AUDITOR'S REPORT

The Chairman informed the members that the Auditor's Report dated May 14, 2015 issued by M/s. Walker Chandiok & Co, LLP Chartered Accountants Firm bearing Firm Registration No. 001076N/ N500013 signed by the Partner Mr. Aryn Jassani bearing membership No. F46447 for the financial year ended March 31, 2015 did not have any qualifications. The Chairman, with the member's consent, considered the Auditor's Report, annexure to the Auditors' Report and the Independent Auditor's report on the Consolidated Accounts as read.

RESOLUTIONS REQUIRING SHAREHOLDERS APPROVAL

At the request of the Chairman, the Company Secretary informed the shareholders that pursuant to the Companies Act, 2013 and the Listing Agreement, the Company had provided e-voting facility to the members to vote from 16th July 2015 to 20th July 2015. The members were entitled to vote in proportion to their shareholding as on the record date of 14th July 2015. The Company Secretary informed the shareholders that Mrs. Jayshree S. Joshi, Proprietor of Jayshree Dagli & Associates, Practising Company Secretaries, Mumbai had been appointed as the Scrutinizer to scrutinize the e-voting process.

The Company Secretary informed that the result for the e-voting has been tabulated by the scrutinizer Mrs. Jayshree S. Joshi, and is enclosed in a sealed envelope.

The Company Secretary informed the shareholders attending the AGM who are eligible to vote are given the opportunity to vote through poll in case they have not voted electronically. He informed the shareholders that Mrs. Jayshree S. Joshi, Proprietor of



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Jayshree Dagli & Associates, Practising Company Secretaries, Mumbai was appointed as the Scrutinizer to scrutinize the poll process and votes given on the poll and report thereon in the prescribed manner.

The Company Secretary shared the manner in which the results will be compiled. He informed that the result on voting on each resolution shall be determined by adding the votes of the poll with the electronic votes. He declared that on receipt of the report on the poll to be conducted, the results will be declared to BSE Limited and National Stock Exchange of India Ltd. The results will also be uploaded on the website of the Company www.bsil.com and will be available at the registered office of the Company.

At the request of the Chairman he thereafter ordered the poll on all the resolutions for the Ordinary and Special Business as set out in the notice of the AGM, and requested all members and proxy holders present and entitle to vote to participate in the poll.

Before commencing the poll, the Chairman invited the Members to offer their comments and observations on the accounts for the year 2014-15.

The Comments and observations made by the speakers at the meeting were as follows:

➤ **Mr. Manish Bhandari (Folio no. DP ID No. IN30114310780363): Shareholder**

Mr. Bhandari congratulated the management on the performance of the Company for the year 2014-15. The shareholder was glad that the company provided exhaustive information for the year in the Annual Report. He had a few queries which are as follows:-

- a) The shareholder was desirous to know about the US business and its profitability.
- b) The shareholder wanted to know more about the "Mobile Vacation Planner" application. What was the size of the business available and comparatively what money is invested on its development
- c) What kind of business opportunity the Company sees going forward in IP sales?
- d) He wanted to understand the reason for a client with more than 5 million \$ revenue per year to exit during the year.
- e) The break-up of billable employees vs. non billable employees and the attrition rate.
- f) How does the company plan to utilise its surplus cash?

➤ **Mr. Aspi Bhesania (Folio no. DP ID No. 1201250000010241): Shareholder**

The shareholder congratulated the management on the financial results of the Company. He had the following query:-

1. How much income does digital business generate and what is the target of the Company in generating revenue in the current year through digital business?



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After ascertaining that there were no other speakers, the Chairman then proceeded further to answer the questions. He also requested Mr. Sunil Bhatia to respond to some of the questions.

Answers:

1. Mr. Sunil Bhatia informed the shareholders that the US business is clearly an important geography for the Company and constitutes about 50% of the Company's business today. The US business continues to remain very robust and very important for the Company.
2. Mr. Bhatia informed that the exit of the client company with US \$ 5 Mn in revenues was a planned exit.
3. With respect to the question on digital business and revenue generated by the company, Mr. Bhatia stated that the market is witnessing significant growth in respect of digital business with about 29-30% relating to the total business of the Company. This percentage is expected to go up over a period of time.
4. The investments made by the Company in Mobile Vacation Planner is very small. The approach of the Company towards IP is that it will build the frameworks and solutions and not build the final product. The Company shall build about 50% of the product and based on the customer support it will develop the remaining portion. The cost of building such assets is not very high. The company intends to remain largely a services company and will use IP to its advantage.
5. Billable utilisation is around 80%. Attrition rate is around 19-20%.
6. For planning the utilisation of cash surplus with the Company, Mr. Bhatia informed that the Board constantly looks at ideas for profitable growth. The company shall use its surplus cash at an appropriate time to fill the gaps or get the market entry which the management thinks is ideal.

The Chairman added to this by mentioning that the surplus funds will be used to upgrade the technologies continuously and constantly, for training of the people associated with the Company and for expanding the business (such as, by taking additional premises) and / or to open up more geographies.

The Chairman thanked the shareholders for the suggestions made by them.

Thereafter, he continued with the agenda as per the notice circulated to the members.



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Ordinary Business

Item 1: APPROVAL AND ADOPTION OF ANNUAL ACCOUNTS
(Ordinary Business)

The audited Balance Sheet and the Profit and Loss Account of the Company for the year ended March 31, 2015 together with the Director's Report and the Auditors' Report was placed before the General Body. With the consent of the Members present, the audited Balance Sheet and Profit and Loss Account, its notes and the Notes to Accounts together with the Directors and Auditors' Report was taken as read.

- 1.1 "RESOLVED THAT the audited Balance Sheet and the Profit & Loss Account of the Company for the financial year ended March 31, 2015 together with the Directors' Report and the Auditors' Report thereon be approved and adopted."

Item 2: DECLARATION OF DIVIDEND
(Ordinary Business)

The Directors of the Company decided to issue a dividend of Rs. 4 per equity share of Rs. 10 each in the Board Meeting held on May 14, 2015. The approval of the shareholders was sought at the AGM:

- 2.1 "RESOLVED THAT as recommended by the Directors, dividend of Rs.4 per equity share of Rs. 10 each, for the year ended March 31, 2015 be declared and paid to those Equity Shareholders whose names appeared on the Register of Members of the Company on July 1, 2015.

Item 3: REAPPOINTMENT OF MR. SANJAY VASWANI (DIN 00369909) AS A DIRECTOR
(Ordinary Business)

Mr. Sanjay Vaswani was eligible for re-appointment and consented to be re-appointed as a Director. The approval of the shareholders was sought at the AGM:

- 3.1 "RESOLVED THAT Mr. Sanjay Vaswani, who retires by rotation from office and, being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company."

Item 4: RATIFICATION OF APPOINTMENT OF THE STATUTORY AUDITORS OF THE COMPANY, M/S WALKER CHANDIOK & CO. LLP, CHARTERED ACCOUNTANTS
(Ordinary Business)

The term of the statutory auditors of the Company, M/s. Walker Chandiok and Co. LLP (formerly M/s. Walker, Chandiok & Co.), Chartered Accountants, was approved for the residual period of three years in the previous Annual General Meeting of the Company. The Board decided to ratify the auditor's office for residual period of their second term of two



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years i.e. from the conclusion of the 18th Annual General Meeting till the conclusion of the 20th AGM. The present statutory auditors have confirmed their willingness to the Board of Directors, to continue as the Statutory Auditors of the Company till the completion of their residual term. The approval of the shareholders was sought at the AGM:

- 4.1 **"RESOLVED THAT** the appointment of M/s. Walker, Chandiok & Co. LLP, Chartered Accountants, Mumbai, bearing firm registration no. 001076N/ N500013 be and is hereby ratified as the Statutory Auditors of the Company, to hold office for residual period of their second term of two years i.e. from the conclusion of the 18th Annual General Meeting till the conclusion of the 20th AGM of the Company at a remuneration to be fixed between the Auditors and Board of Directors of the Company"

Item 5: TO APPROVE THE COMMISSION PLAN FOR NON - EXECUTIVE DIRECTORS OF THE COMPANY
(Special Resolution)

Article 122 of the Articles of Association of the Company inter alia provides for payment of commission to a Director who is neither in the whole time employment of the Company nor a Managing Director of the Company. Section 197 of the Companies Act, 2013, provides, inter alia, that a Director who is neither in the whole-time employment of the Company nor a Managing Director of the Company (the "Non-Executive Director") may be paid remuneration by way of commission at a rate not exceeding 3% (three percent) of the net profits of the Company, provided such payment is authorised by a Special Resolution passed in that behalf by the Members of the Company at a General Meeting.

Having regard to the time and attention devoted by the Non-Executive Directors to the affairs of the Company, and the contribution they make to the business and operations of the Company the above proposal was recommended by the Chairman to the shareholders for their approval.

- 5.1 **"RESOLVED THAT** pursuant to Article 122 of the Articles of Association of the Company and Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, approval of the members be and is hereby accorded to the payment of commission to the Directors (other than the Managing / Whole-time Directors) up to 3% (three percent) per annum of the net profits of the Company for each financial year, calculated in accordance with Section 198 and other applicable provisions of the said Act, such commission being divisible amongst the aforesaid Directors, in such proportion and in such manner as may be decided by the Board of Directors of the Company, for a period of five financial years commencing from the financial year beginning 1 April 2014 and further such commission payable is in addition to the sitting fee payable to such Directors for each meeting of the Board and/or Committee(s) of the Board attended by them.



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5.2 **RESOLVED FURTHER THAT** any Director of the Company or the Company Secretary be and is hereby authorised to take such steps as may be necessary for obtaining necessary approvals in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents and writings that may be required, for and on behalf of the Company and generally to do all such acts, deeds and things as may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

ITEM 6: i) APPOINTMENT OF MS. KALPANA TRIVEDI (DIN: 07150502) AS A DIRECTOR OF THE COMPANY, AND

ii) APPOINTMENT OF MS. KALPANA TRIVEDI (DIN: 07150502) AS AN INDEPENDENT DIRECTOR
(Ordinary Resolution)

Pursuant to the provisions of Section 149, 161, and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013 the Board of Directors of the Company had appointed Ms. Kalpana Trivedi (DIN: 07150502) as an Additional Director of the Company w.e.f. 30 March 2015 whose tenure of holding office would expire at this Annual General Meeting.

The Company has received a proposal from a member along with a deposit of Rs. 1 Lakh recommending the appointment of Ms. Kalpana Trivedi (DIN: 07150502) as an Independent Director from 21 July 2015 for five consecutive years ending 20 July 2020. Ms. Kalpana Trivedi (DIN: 07150502), has given a declaration to the Board that she meets the criteria of Independence as provided under section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Ms. Kalpana Trivedi (DIN: 07150502) fulfils the conditions specified in the Act and Rules framed thereunder for appointment as an Independent Director and is independent of the management. In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Ms. Kalpana Trivedi (DIN: 07150502) as an Independent Director was placed before the members for their approval.

6 (i) 1. **"RESOLVED THAT** pursuant to the provisions of Section 149, 152, and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013, Ms. Kalpana Trivedi (DIN: 07150502) who was appointed as an Additional Director of the company with effect from 30 March 2015, be and is hereby appointed as a Director on the Board of Directors of the Company.

6 (i) 2. **RESOLVED FURTHER THAT** any Director of the Company or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things and file the necessary forms with the Registrar of Companies, as may be necessary to give effect to the above resolution."



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6 (ii) 1 **"RESOLVED THAT** pursuant to Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013, if any, and the rules made thereunder (including statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Ms. Kalpana Trivedi (holding DIN : 07150502), Director of the Company has submitted a declaration of meeting the criteria for independence as provided in section 149(6) of the Act and is eligible for appointment, and in respect of whom the Company has received a notice in writing from a member along with a deposit of Rs. 1 Lakh proposing that her term as an Independent Director be for a period of five consecutive years from 21 July 2015 to 20 July 2020 be and is hereby appointed as an Independent Director of the Company."

ITEM 7: TO RATIFY THE APPROVAL OF COMPENSATION TO MR. SUNIL BHATIA (DIN: 03424622), CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR
(Special Resolution):

An application was made by the Company to the Ministry of Corporate Affairs, Government of India for their approval for the compensation for Mr. Sunil Bhatia (DIN: 03424622), pursuant to the approval of members at the Annual General Meeting held on 18 July 2013.

The Ministry of Corporate Affairs, Government of India vide its letter SRN No. C36025401/2014 – CL-VII dated 28 April 2015 and as per the General Circular No. 32/2014 dated 23 July 2014 informed the Company that with the promulgation of Companies Act, 2013 a fresh approval from the shareholders is required prior to making any application to the Central Government under the provisions of Companies Act, 2013. The payment by way of remuneration to Mr. Sunil Bhatia (DIN: 03424622) for the Financial Year ended 31 March 2015 are permitted pursuant to the circular no. 07/2015 dated 10 April 2015. The approval from shareholders was intended to cover the period beginning from 1 April 2014 till the conclusion of the current tenure.

7.1 **"RESOLVED THAT** in terms of regulations of the Articles of Association of the Company and pursuant to provisions of Sections 197 read with Schedule V (including any statutory modification or re-enactment thereof for the time being in force), and all other applicable provisions, if any, of the Companies Act, 2013 and such sanctions as may be necessary, approval of the members of the Company be and is hereby accorded to ratify the approval of compensation of Mr. Sunil Bhatia (DIN: 03424622), Chief Executive Officer and Managing Director, with effect from 1 April 2014, for the remaining tenure of his present term as a Chief Executive Officer and Managing Director, on the remuneration and variable incentive as mentioned in the explanatory statement annexed to the notice which is hereby specifically approved with authority to the Board of Directors (which term shall include the Remuneration Committee constituted by the Board of Directors).

7.2 **RESOLVED FURTHER THAT** any Director of the Company or the Company Secretary of the Company be and is hereby authorised to take such steps as may be necessary for



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obtaining necessary approvals in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents and writings that may be required, for and on behalf of the Company and generally to do all such acts, deeds and things as may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”

CONDUCT OF POLL

Mrs. Jayshree S. Joshi, Scrutinizer, appointed for the poll locked the ballot box after displaying that the box was empty. Members were then requested to vote. After ensuring that all the members and proxies participated in the poll has casted their votes, the Scrutinizer closed the poll and then took the custody of the polling box.

VOTE OF THANKS

The meeting concluded with a vote of thanks to the Chair with the Chairman indicating that the results of the poll would be communicated within 48 hours of the conclusion of the Annual General Meeting.



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Proceedings of the 18th Annual General Meeting held on 21st July 2015

EVENTS POST THE ANNUAL GENERAL MEETING

RESULT OF THE ELECTRONIC VOTING AND POLL ON THE ORDINARY AND SPECIAL BUSINESSES AT THE ANNUAL GENERAL MEETING OF THE COMPANY HELD ON 21st JULY 2015

On the basis of the scrutinizer's report for the electronic voting and the report for the poll at the Annual General Meeting, the summary of which is mentioned hereunder, the Chairman announced the results of voting on 22nd July 2015 that all the resolutions for the ordinary and special businesses as set out in Item No. 1 to 7 in the notice of the Company have been duly passed by requisite majority.

Voting Pattern of the resolution passed at the Annual General Meeting

Date of the AGM: July 21, 2015

Total number of shareholders on record date: 12,298

No. of shareholders present in the meeting either in person or through proxy: 51

Promoters and Promoter Group: 14

Public: 37

No. of Shareholders attended the meeting through Video Conferencing: 0

Promoters and Promoter Group: 0

Public: 0

Details of the Agenda:

Resolution No. 1:

To receive, consider and adopt the Audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss for the financial year ended as at that date and the Directors' Report and the Auditors' Report thereon

Resolution required: Ordinary

Mode of voting: Poll and E-voting

In case of Poll/Postal ballot/E-voting:



Proceedings of the 18th Annual General Meeting held on 21st July 2015

Promoter /Public	No of Shares held (1)	No of Votes Polled (2) (*)	% of Votes polled on Outstanding shares (3)=[(2)/(1)]*100	No of Votes - in Favour (4)	No of Votes Against (5)	% of Votes in favour on Votes polled (6)=[(4)/(2)]*100	% of Votes Against on Votes polled (7)=[(5)/(2)]*100
Resolution No. 1							
Mode of Voting: (E-voting)							
Promoter and Promoter Group	55,92,424	55,92,424	100.00	55,92,424	0	100.00	0.00
Public Institutional Holders	2,38,195	0	0.00	0	0	0.00	0.00
Public-Others	49,69,381	10,00,451	20.13	10,00,451	0	100.00	0.00
Total (A)	1,08,00,000	65,92,875	61.05	65,92,875	0	100.00	0.00
Mode of Voting: (Poll)							
Promoter and Promoter Group	55,92,424	0	0.00	0	0	0.00	0.00
Public Institutional Holders	2,38,195	0	0.00	0	0	0.00	0.00
Public-Others	49,69,381	15,555	0.31	15,555	0	100.00	0.00
Total (B)	1,08,00,000	15,555	0.14	15,555	0	100.00	0.00
Result (A+B)	1,08,00,000	66,08,430	61.19	66,08,430	0	100.00	0.00

* This excludes invalid votes



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Resolution No. 2:

To declare a dividend

Resolution required: Ordinary

Mode of voting: Poll and E-voting

In case of Poll/Postal ballot/E-voting:

Promoter /Public	No of Shares held (1)	No of Votes Polled (2) (*)	% of Votes polled on Outstanding shares (3)=[(2)/(1)]*100	No of Votes - in Favour (4)	No of Votes Against (5)	% of Votes in favour on Votes polled (6)=[(4)/(2)]*100	% of Votes Against on Votes polled (7)=[(5)/(2)]*100
Resolution No. 2							
Mode of Voting: (E-voting)							
Promoter and Promoter Group	55,92,424	55,92,424	100.00	55,92,424	0	100.00	0.00
Public Institutional Holders	2,38,195	0	0.00	0	0	0.00	0.00
Public-Others	49,69,381	10,00,451	20.13	10,00,451	0	100.00	0.00
Total (A)	1,08,00,000	65,92,875	61.05	65,92,875	0	100.00	0.00
Mode of Voting: (Poll)							
Promoter and Promoter Group	55,92,424	0	0.00	0	0	0.00	0.00
Public Institutional Holders	2,38,195	0	0.00	0	0	0.00	0.00
Public-Others	49,69,381	15,555	0.31	15,555	0	100.00	0.00
Total (B)	1,08,00,000	15,555	0.14	15,555	0	100.00	0.00
Result (A+B)	1,08,00,000	66,08,430	61.19	66,08,430	0	100.00	0.00

* This excludes invalid votes



Proceedings of the 18th Annual General Meeting held on 21st July 2015

Resolution No. 3:

To appoint a Director in place of Mr. Sanjay Vaswani (DIN: 00369909), who retires by rotation and being eligible, seeks re-appointment

Resolution required: Ordinary

Mode of voting: Poll and E-voting

In case of Poll/Postal ballot/E-voting:

Promoter /Public	No of Shares held (1)	No of Votes Polled (2) (*)	% of Votes polled on Outstanding shares (3)=[(2)/(1)]*100	No of Votes - in Favour (4)	No of Votes Against (5)	% of Votes in favour on Votes polled (6)=[(4)/(2)]*100	% of Votes Against on Votes polled (7)=[(5)/(2)]*100
Resolution No. 3							
Mode of Voting: (E-voting)							
Promoter and Promoter Group	55,92,424	55,92,424	100.00	55,92,424	0	100.00	0.00
Public Institutional Holders	2,38,195	0	0.00	0	0	0.00	0.00
Public-Others	49,69,381	10,00,451	20.13	10,00,451	0	100.00	0.00
Total (A)	1,08,00,000	65,92,875	61.05	65,92,875	0	100.00	0.00
Mode of Voting: (Poll)							
Promoter and Promoter Group	55,92,424	0	0.00	0	0	0.00	0.00
Public Institutional Holders	2,38,195	0	0.00	0	0	0.00	0.00
Public-Others	49,69,381	15,555	0.31	15,555	0	100.00	0.00
Total (B)	1,08,00,000	15,555	0.14	15,555	0	100.00	0.00
Result (A+B)	1,08,00,000	66,08,430	61.19	66,08,430	0	100.00	0.00

* This excludes invalid votes



Proceedings of the 18th Annual General Meeting held on 21st July 2015

Resolution No. 4:

To ratify the appointment of M/s Walker, Chandiok & Co. LLP Chartered Accountants (ICAI Firm Registration No.: 001076N/ N500013), Statutory Auditors of the Company to continue to hold office for the residual period of 2 years i.e. from the conclusion of 18th Annual General Meeting until the conclusion of the 20th Annual General Meeting

Resolution required: Ordinary

Mode of voting: Poll and E-voting

In case of Poll/Postal ballot/E-voting:

Promoter /Public	No of Shares held (1)	No of Votes Polled (2) (*)	% of Votes polled on Outstanding shares (3)=[(2)/(1)]*100	No of Votes - in Favour (4)	No of Votes Against (5)	% of Votes in favour on Votes polled (6)=[(4)/(2)]*100	% of Votes Against on Votes polled (7)=[(5)/(2)]*100
Resolution No. 4							
Mode of Voting: (E-voting)							
Promoter and Promoter Group	55,92,424	55,92,424	100.00	55,92,424	0	100.00	0.00
Public Institutional Holders	2,38,195	0	0.00	0	0	0.00	0.00
Public-Others	49,69,381	10,00,451	20.13	10,00,396	55	99.99	0.01
Total (A)	1,08,00,000	65,92,875	61.05	65,92,820	55	100.00	0.00
Mode of Voting: (Poll)							
Promoter and Promoter Group	55,92,424	0	0.00	0	0	0.00	0.00
Public Institutional Holders	2,38,195	0	0.00	0	0	0.00	0.00
Public-Others	49,69,381	15,555	0.31	15,555	0	100.00	0.00
Total (B)	1,08,00,000	15,555	0.14	15,555	0	100.00	0.00
Result (A+B)	1,08,00,000	66,08,430	61.19	66,08,375	55	100.00	0.00

* This excludes invalid votes



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Resolution No. 5:

To approve the commission plan for Non – executive directors of the company

Resolution required: Special
Mode of voting: Poll and E-voting
In case of Poll/Postal ballot/E-voting:

Promoter /Public	No of Shares held (1)	No of Votes Polled (2) (*)	% of Votes polled on Outstanding shares (3)=[(2)/(1)]*100	No of Votes - in Favour (4)	No of Votes Against (5)	% of Votes in favour on Votes polled (6)=[(4)/(2)]*100	% of Votes Against on Votes polled (7)=[(5)/(2)]*100
Resolution No. 5							
Mode of Voting: (E-voting)							
Promoter and Promoter Group	55,92,424	55,92,424	100.00	55,92,424	0	100.00	0.00
Public Institutional Holders	2,38,195	0	0.00	0	0	0.00	0.00
Public-Others	49,69,381	10,00,451	20.13	10,00,279	172	99.98	0.02
Total (A)	1,08,00,000	65,92,875	61.05	65,92,703	172	100.00	0.00
Mode of Voting: (Poll)							
Promoter and Promoter Group	55,92,424	0	0.00	0	0	0.00	0.00
Public Institutional Holders	2,38,195	0	0.00	0	0	0.00	0.00
Public-Others	49,69,381	15,555	0.31	15,555	0	100.00	0.00
Total (B)	1,08,00,000	15,555	0.14	15,555	0	100.00	0.00
Result (A+B)	1,08,00,000	66,08,430	61.19	66,08,258	172	100.00	0.00

* This excludes invalid votes



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Resolution No. 6:

- i) Appointment of Ms. Kalpana Trivedi (DIN: 07150502) as a Director of the company
- ii) Appointment of Ms. Kalpana Trivedi (DIN: 07150502) as an Independent Director.

Resolution required: Ordinary

Mode of voting: Poll and E-voting

In case of Poll/Postal ballot/E-voting:

Promoter /Public	No of Shares held (1)	No of Votes Polled (2) (*)	% of Votes polled on Outstanding shares (3)=[(2)/(1)]*100	No of Votes - in Favour (4)	No of Votes Against (5)	% of Votes in favour on Votes polled (6)=[(4)/(2)]*100	% of Votes Against on Votes polled (7)=[(5)/(2)]*100
Resolution No. 6							
Mode of Voting: (E-voting)							
Promoter and Promoter Group	55,92,424	55,92,424	100.00	55,92,424	0	100.00	0.00
Public Institutional Holders	2,38,195	0	0.00	0	0	0.00	0.00
Public-Others	49,69,381	10,00,451	20.13	10,00,451	0	100.00	0.00
Total (A)	1,08,00,000	65,92,875	61.05	65,92,875	0	100.00	0.00
Mode of Voting: (Poll)							
Promoter and Promoter Group	55,92,424	0	0.00	0	0	0.00	0.00
Public Institutional Holders	2,38,195	0	0.00	0	0	0.00	0.00
Public-Others	49,69,381	15,555	0.31	15,555	0	100.00	0.00
Total (B)	1,08,00,000	15,555	0.14	15,555	0	100.00	0.00
Result (A+B)	1,08,00,000	66,08,430	61.19	66,08,430	0	100.00	0.00

* This excludes invalid votes



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Resolution No. 7:

To ratify the approval of compensation to Mr. Sunil Bhatia (DIN: 03424622), Chief Executive Officer and Managing Director

Resolution required: Special

Mode of voting: Poll and E-voting

In case of Poll/Postal ballot/E-voting:

Promoter /Public	No of Shares held (1)	No of Votes Polled (2) (*)	% of Votes polled on Outstanding shares (3)=[(2)/(1)]*100	No of Votes - in Favour (4)	No of Votes Against (5)	% of Votes in favour on Votes polled (6)=[(4)/(2)]*100	% of Votes Against on Votes polled (7)=[(5)/(2)]*100
Resolution No. 7							
Mode of Voting: (E-voting)							
Promoter and Promoter Group	55,92,424	55,92,424	100.00	55,92,424	0	100.00	0.00
Public Institutional Holders	2,38,195	0	0.00	0	0	0.00	0.00
Public-Others	49,69,381	9,99,851	20.12	9,99,837	14	100.00	0.00
Total (A)	1,08,00,000	65,92,275	61.04	65,92,261	14	100.00	0.00
Mode of Voting: (Poll)							
Promoter and Promoter Group	55,92,424	0	0.00	0	0	0.00	0.00
Public Institutional Holders	2,38,195	0	0.00	0	0	0.00	0.00
Public-Others	49,69,381	15,555	0.31	15,555	0	100.00	0.00
Total (B)	1,08,00,000	15,555	0.14	15,555	0	100.00	0.00
Result (A+B)	1,08,00,000	66,07,830	61.18	66,07,816	14	100.00	0.00

* This excludes invalid votes

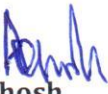


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Proceedings of the 18th Annual General Meeting held on 21st July 2015

All the above resolutions, which were put to vote, were passed with requisite majority.

For **Blue Star Infotech Limited**


Alope Ghosh

Chief Financial Officer and Company Secretary

