

**The Manager
Listing Department,
The National Stock Exchange of India Ltd.
'Exchange Plaza', C-1, Block G,
BandraKurla Complex, Bandra (E)
Mumbai – 400 051**

January 27, 2016

Dear Sir/ Madam,

**Stock Code: BLUESTINFO
Outcome of the Board Meeting held on January 27, 2016**

We submit herewith the outcome of the meeting of the Board of Directors of the Company held today, January 27, 2016 in the Conference Room, Blue Star Limited, 4th Floor, Band Box House, Dr. Annie Besant Road, Worli, Mumbai, Pin – 400 030 which commenced at 11 am and concluded at 5 pm.

1. Pursuant to a Business Transfer Agreement (the 'BTA') dated September 29, 2015 between the Company and Infogain India Pvt. Ltd, the Company has agreed to transfer its Information Technology (IT) business along with the Information Technology business of its wholly owned subsidiary, Blue Star Infotech Business Intelligence and Analytics Private Limited (BSIBIA) on a going concern basis, effective January 1, 2016, for an aggregate consideration of Rs. 8,170 lakhs on slump sale basis. Further, pursuant to Share Purchase Agreement dated September 29, 2015, the Company has agreed to transfer its entire shareholding in its three wholly owned overseas subsidiaries, namely, Blue Star Infotech America, Inc., Blue Star Infotech (UK) Limited and Blue Star Infotech (Singapore) Pte. Ltd effective January 1, 2016 for a consideration of Rs.3,650 Lakhs, Rs.2,180 Lakhs and Rs.4,080 Lakhs respectively to Infogain Corporation, USA. Accordingly, effective January 1, 2016, the aforesaid overseas subsidiaries of the Company would be part of Infogain Corporation and the IT business of the Company and BSIBIA would be part of Infogain India Pvt. Ltd. The Board took note of the same.
2. Consequent to the sale of the Information Technology business of the Company, the Compensation Committee of the Board of Directors recommended the acceleration of the unvested stock options of employees of the Company. Employees have been provided a 90 day period from today to exercise their stock options. The Board has approved the proposal. The accelerated ESOP's are part of the grants made in earlier years.
3. **Resignation of the Chief Executive Officer and Managing Director:**

Pursuant to the sale of the Information Technology Business of the Company to Infogain India Pvt. Ltd., Mr. Sunil Bhatia, Chief Executive Officer and Managing Director of the Company, would be taking up employment with Infogain India Pvt. Ltd. Consequently, he

has submitted his resignation to the Board. The Board has considered the matter and accepted his resignation effective close of business hours today.

4. Resignation of the Chief Financial Officer and Company Secretary and Compliance Officer:

Pursuant to the sale of the Information Technology Business of the Company to Infogain India Pvt. Ltd., Mr. Alope Ghosh, Chief Financial Officer and Company Secretary of the Company would be taking up employment with Infogain India Pvt. Ltd. Consequently, he has submitted his resignation to the Company. The Board has accepted his resignation effective close of business hours today. Mr. Ghosh has also vacated the position of Compliance Officer in the Company as of today.

5. Appointment of Chief Financial Officer and Company Secretary and Compliance Officer:

Mr. V. Sudarshan was appointed by the Board as the Chief Financial Officer and Company Secretary of the Company with effect from January 27, 2016. He has also been appointed as the Compliance Officer of the Company effective today.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Blue Star Infotech limited



V Sudarshan

Chief Financial Officer and Company Secretary