



BLUE STAR INFOTECH LIMITED

The Great Oasis, 8th Floor, D-13, MIDC,
Andheri (East), Mumbai 400 093, India.
Telephone 91-22-6695 6969
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www.bsil.com

CIN: L72200MH1997PLC110459

**The Manager
Listing Department
The National Stock Exchange of India Ltd.
'Exchange Plaza', C-1, Block G,
Bandra Kurla Complex,
Bandra East.
Mumbai - 400051**

29 September 2015

Dear Sir/ Madam,

**Stock Code: BLUESTINFO
Subject: Outcome of the Board Meeting (No. 85 / No. 3 of FY 15-16)**

Please find enclosed herewith the intimation with respect to decisions taken at the meeting of the Board of Directors of the Company today i.e. Tuesday, 29 September 2015 in the Conference Room of Blue Star Limited, 4th Floor, Band Box House, Dr. Annie Besant Road, Worli, Mumbai, Pin - 400030 for your information.

Also attached herewith is the copy of the press release which the Company intends to issue shortly.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,
For **Blue Star Infotech Limited**

**For Alope Ghosh
Chief Financial Officer and Company Secretary**

Encl: As above

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29 September 2015

Dear Sir/ Madam,

At the (No. 85 / No. 3 of FY 15-16) meeting of the Board of Directors of the Company today i.e. Tuesday, 29 September 2015, held in the Conference Room of Blue Star Limited, 4th Floor, Band Box House, Dr. Annie Besant Road, Worli, Mumbai, Pin - 400030 between 3.00 pm to 6.00 pm, the following matters were reviewed, discussed and approved by the Board.

1. Purchase of the Business of the Wholly Owned Subsidiary

The Board has decided to purchase the entire business of the Company's wholly owned subsidiary Blue Star Infotech Business Intelligence and Analytics Pvt. Ltd. (CIN: U72200KA2006PTC041312) by 31 October 2015, for a consideration of Rs. 6.50 Cr (Rupees Six Crores and Fifty Lacs only), subject to adjustments as of closing date, the transaction being subject to any regulatory approvals as may be required.

2. Sale of the Information Technology Business of the Company

- i) The Board has decided to sell the entire Information Technology business of the Company on a slump sale basis, as a going concern to Infogain India Private Limited, (CIN: U74899DL1991PTC044361) a company incorporated under the Companies Act, 1956 and having its registered office at I-25 Jangpura Extension, New Delhi 110 014, subject to the members' approval for a value of Rs. 81.70 Crs. (Rupees Eighty One Crores and Seventy Lacs only), subject to any adjustments as per the terms of Business Transfer Agreement.
- ii) The Board has also decided to sell the entire investment in its overseas wholly owned subsidiaries to Infogain Corporation (entity number: C1514966). having its registered office at 485 Alberto Way, Los Gatos CA 95032 in accordance with sale agreement as follows:
 - a) Blue Star Infotech America Inc. (UIN: BYWGX19950030), a material subsidiary of the Company in USA, for a cash consideration of Rs. 36.50 Crs. (Rupees Thirty Six Crores and Fifty Lacs only);
 - b) Blue Star Infotech (UK) Limited (UIN: BYWAZ20010081), a subsidiary of the Company in UK for a cash consideration of Rs. 21.80 Crs. (Rupees Twenty One Crores and Eighty Lacs only); and
 - c) Blue Star Infotech (Singapore) Pte. Ltd. (UIN: BYWAZ20120557), a subsidiary of the Company in Singapore for a cash consideration of Rs. 40.80 Cr. (Rupees Forty Crores and Eighty Lacs only);

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Infogain Corporation (www.infogain.com) is engaged in the business of providing information technology, software development and consulting services to clients in India and abroad. Its wholly owned Indian subsidiary, Infogain India Private Limited has development centres in Noida, Uttar Pradesh.

3. Record Date for postal ballot and calendar of events to approve the sale of Information Technology Business of the Company

The Company will require to obtain the approval of its shareholders, by way of postal ballot, for approving the sale of its Information Technology business as mentioned above. The calendar of events for the said postal ballot will be issued by way of separate notice to the Stock Exchange as well as by way of a public notice. The Board has however fixed the record date as 5 October 2015 for the purpose of identification of shareholders who will be eligible to receive the postal ballot notice.

4. Merger of the Company and its wholly owned Indian subsidiary with Blue Star Limited

The Board has considered and approved the amalgamation of the Company and its wholly owned subsidiary Blue Star Infotech Business Intelligence and Analytics Private Limited with Blue Star Limited ("BSL") ("**Proposed Amalgamation**") on the terms and conditions as stated in the draft scheme ("**Scheme**") placed before the Board, subject to the necessary approvals being received.

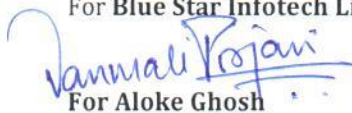
The appointed date for the Proposed Amalgamation is 1 April 2015. The Scheme contemplates a share exchange ratio of 7 (Seven) equity shares of Rs. 2 (Rupees Two) of BSL (each credited as fully paid up) for every 10 (Ten) equity shares of Rs. 10 (Rupees Ten) held by an equity shareholder in the Company. The equity shares held by BSL in the Company shall be deemed to be cancelled without any further act or deed, and no shares of BSL will be required to be issued in lieu thereof.

Actions in this regard seeking members' approval would be initiated separately including, but not limited to statutory compliances, public notices etc.

This is for your information and record.

Thanking you,

Yours faithfully,
For Blue Star Infotech Limited



For Alope Ghosh
Chief Financial Officer and Company Secretary