

Annexure-2:

A detailed note on the Composite Scheme of Amalgamation ("Scheme") of Blue Star Infotech Limited ('Transferor Company No 1'), Blue Star Infotech Business Intelligence and Analytics Private Limited ('Transferor Company No 2') with Blue Star Limited ('Transferee Company') and their respective shareholders and creditors

The High Court of Judicature at Bombay, vide its order dated April 16, 2016 has sanctioned the Composite Scheme with effect from the Appointed Date mentioned in the Scheme. Subsequently Blue Star Infotech Limited and Blue Star Infotech Business Intelligence and Analytics Private Limited will cease to exist.

The Shareholders of Blue Star Infotech Limited would be given seven (7) equity shares of Rs. 2 each of Blue Star Limited for every ten (10) equity shares of Rs. 10 each held in Blue Star Infotech Limited.

The Company obtained the certified true copy of the said order of the High Court on May 2, 2016. All the companies have filed the said order with the office of the Registrar of Companies, Mumbai, Maharashtra on May 21, 2016 ('Effective Date').

1. BUSINESS ASPECTS OF THE SCHEME

Rationale & Objective of the Scheme

The rationale and objective of the Scheme inter-alia includes:

- a) To integrate and consolidate the businesses of Transferor Company No 1 and Transferor Company No 2 in a single entity and consolidate resources and assets of all the Companies for optimal deployment and enhanced overall efficiencies.
- b) To enable better and efficient management, control and running of the business to attain operational efficiencies, cost competitiveness, create synergies and capitalize on the growth opportunities to the fullest extent.
- c) To channelize resources to focus and grow the core air conditioning and refrigeration business of the Blue Star.



- d) Utilize capital for funding growth of Group's core business and improve returns to create long term sustainable value for all shareholders.
- e) The proposed amalgamation and vesting of the Transferor Company No 1 and the Transferor Company No 2 into the Transferee Company, with effect from the Appointed Date, is in the interest of the shareholders, creditors, employees and other stakeholders, of both the companies, as it would enable a focused business approach for the maximization of benefits to all stakeholders.

2. FINANCIAL ASPECTS OF THE SCHEME

Details of Revenue, Results and Capital Employed of the Transferee Company, Transferor Company No 1 and Transferor Company No 2 are mentioned hereunder:

(Rs. In Lakhs)

Sl. No.	Particulars	Blue Star Infotech Limited (Transferor Company No 1) March 31 st ,2015	Blue Star Infotech Business Intelligence and Analytics Private Limited (Transferor Company No 2) March 31 st ,2015	Blue Star Limited (Transferee Company) March 31 st ,2015
1	Total Revenue (including other income)	14,415.26	1189.41	309,093.77
2	Total Expenditure	12,805.4	1041.91	294,654.4
3	Profit / (Loss) from ordinary activities before finance cost and exceptional items	1609.86	147.50	14439.37
4	Finance Cost	50.83	-	4,347.32
5	Profit / (Loss) from ordinary activities after finance cost and before exceptional items	1559.03	147.50	10092.05
6	Exceptional Items- Gain /(Loss)	-	-	4,190.26
7	Profit / (Loss) before tax	1559.03	147.50	14,282.31
8	Tax	390	(86.23)	(970.51)
9	Net Profit / (Loss) for the period	1169.03	61.26	15,252.82
10	Capital Employed*	10946.43	472.68	62957.44

*Capital Employed= Total Assets - Current Liabilities.



3. PRE AND POST SHAREHOLDING PATTERN OF THE TRANSFEREE COMPANY AS ON 31ST DECEMBER, 2015

Sl. No.	Category of shareholder	Pre amalgamation shareholding		Post amalgamation shareholding	
		No of shares	% of Total Shareholding	No of shares	% of Total Shareholding
1	Promoter and Promoter Group	3,54,91,497	39.46%	3,73,41,062	39.17%
2	Public	5,44,44,608	60.53%	5,79,86,426	60.83%
	Total	8,99,36,105	100%	9,53,27,488	100%

