

**DECLARATION OF RESULT**

The Board of Directors of the Company at its meeting held on 21st January 2015 had proposed the following resolutions for approval of the shareholders through postal Ballot. Accordingly, vide postal ballot notice dated February 2, 2015, two (2) Special Resolutions with their respective Explanatory Statement were sent to the shareholders, alongwith a Postal Ballot Form and pre-paid self addressed business reply envelope, for their approval/ consent. Mr. N.L.Bhatia, Practising Company Secretaries, was appointed as scrutinizer for conducting the Postal Ballot process in a fair and transparent manner. The last date for duly completed Postal Ballot Form was Fixed on Wednesday, 4th March, 2015, till close of working hours of the company, i.e 5.30 p.m The Scrutinizer has submitted his report on the Postal Ballot to the undersigned, based on which the undersigned has announced result of the Postal Ballot to the Shareholders on March 11, 2015 .
 at the Registered office of the Company.

Based on Scrutinizer's Report dated 5th March 2015, the results of the Postal Ballot is as follows :

Item No.1: Special Resolution for Sale of Professional Electronic and Industrial System Business of the Company to its wholly owned subsidiary:

Resolution-1 (Including promoters)

Particulars	Number of			Number of Votes contained in			Percentage
	Postal Ballot Forms	e-Voting	Total	Postal Ballot	e-Voting	Total	Total
Assent	335	175	510	415954	51860788	52276742	99.98%
Dissent	11	14	25	11740	1566	13306	00.02%
Total	346	189	535	427694	51862354	52290048	100%

Resolution-1 (Excluding promoters)

Particulars	Number of			Number of Votes contained in			Percentage
	Postal Ballot Forms	e-Voting	Total	Postal Ballot	e-Voting	Total	Total
Assent	335	154	489	415954	17029392	17445346	99.92%
Dissent	11	14	25	11740	1566	13306	0.08%
Total	346	168	514	427694	17030958	17458652	100%



Item No.2: Special Resolution for Transactions with Related Parties U/S 188 of the Companies Act 2013

Resolution-2 (Including promoters)

Particulars	Number of			Number of Votes contained in			Percentage
	Postal Ballot Forms	e-Voting	Total	Postal Ballot	e-Voting	Total	Total
Assent	325	177	502	406414	51860838	52267252	99.97%
Dissent	11	14	25	12730	1566	14296	0.03%
Total	336	191	527	419144	51862404	52281548	100%

Resolution-2 (Excluding promoters)

Particulars	Number of			Number of Votes contained in			Percent age
	Postal Ballot Forms	e-Voting	Total	Postal Ballot	e-Voting	Total	Total
Assent	325	156	481	406414	17029442	17435856	99.92%
Dissent	11	14	25	12730	1566	14296	0.08%
Total	336	170	506	419144	17031008	17450152	100%

All the above Special Resolutions mentioned in the Postal Ballot Notice dated February 2, 2015 have therefore been declared as approved by the Shareholders, with the requisite majority

Date: March 11, 2015

Place : Mumbai

FOR BLUE STAR LIMITED

Ashok H. Advani

ASHOK M.ADVANI
CHAIRMAN



Scrutinizer's Report

[Pursuant to section 108 & 110 of the Companies Act, 2013 and Rule 20 & Rule 22 respectively of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreements]

To,
Mr. Ashok M Advani
Chairman
BLUE STAR LIMITED
Regd. Office: Kasturi Building Jamshedji,
Tata Road, Mumbai 400020.

1. I, **Navnitlal Bhatia**, Practicing Secretary of Mumbai have been appointed as the Scrutinizer by the Board of **BLUE STAR LIMITED** at its meeting held on 21st January, 2015 for scrutinizing the Postal Ballot process (which includes e-voting also) for passing the following resolution as Special resolution:

ITEM 1: SALE OF PROFESSIONAL ELECTRONICS AND INDUSTRIAL SYSTEMS BUSINESS TO ITS WHOLLY OWNED SUBSIDIARY:

"RESOLVED THAT pursuant to provisions Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 and applicable Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), applicable provisions of the Memorandum and Articles of Association of the Company and listing agreement entered into with the stock exchanges on which the equity shares of the Company are listed and subject to such other approvals/ consents as may be necessary from the regulatory/ statutory authorities, and subject to such conditions or modifications as may be imposed or prescribed by any of the authorities, customary closing formalities, approval of the Members of the Company be and is hereby accorded to the sale and transfer of the Professional Electronics and Industrial Systems Business of the Company, on a "going concern" basis to Blue Star Electro-Mechanical Limited ("Buyer"), a wholly owned subsidiary of the Company, along with all the employees, assets and liabilities pertaining thereto, including all licenses, permits, approvals, consents, pre qualification rights, contracts whatsoever, on such terms and conditions as may be agreed by the Board of Directors of the Company("the Board") and for a consideration estimated at about INR 110,50,00,000 (Indian Rupees One hundred ten crore fifty lacs) determined on the basis of a valuation carried by M/s Sharp & Tannan, Chartered Accountants to be discharged by the Buyer by issue and allotment of equity shares.

RESOLVED FURTHER THAT the Managing Director and the Executive Directors of the Company be and are hereby authorised, severally, to do all such acts, deeds and such matters and things, as may be necessary, including finalising, varying, settle any question, remove any difficulty or doubt that may arise from time to time in relation to sale of Professional Electronics and Industrial Systems Business and settling the terms and conditions to sell, transfer, assign, convey and deliver the Professional Electronics and Industrial Systems Business and to finalise, execute, deliver and perform, such agreements (including but not limited to the agreement to sell business), contracts,



deeds, undertaking other documents, file applications and make representations in respect thereof and seek requisite approval from the relevant authorities including Government Authorities, suitably inform and apply to the concerned Authorities, including in respect of its requirements of the Central and/ or State Government(s) and/or local authorities.

RESOLVED FURTHER THAT the Managing Director and the Executive Directors of the Company be and are hereby authorised, severally, to delegate all or any of the powers herein conferred by these resolutions to any other Officer(s)/ Authorised Representative(s) of the Company to give effect to these Resolutions."

ITEM 2: TRANSACTIONS WITH RELATED PARTIES U/S 188 OF THE COMPANIES ACT, 2013

"RESOLVED THAT pursuant to Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 and applicable Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), applicable provisions of the Memorandum and Articles of Association of the Company and listing agreement entered into with the stock exchanges on which the equity shares of the company are listed and subject to such other approvals/ consents as may be necessary from the regulatory/ statutory authorities and subject to such conditions and modifications that may be imposed or prescribed by any such authority(ies) and pursuant to the approval of the Audit Committee granted at its meeting held on January 21, 2015, and customary closing formalities, approval of the Members of the Company, be and is hereby accorded to the Company for entering into the following related party transactions with Blue Star Electro-Mechanical Limited, a wholly owned subsidiary of the Company: (i) Sale and transfer of the Professional Electronics and Industrial Systems Business of the Company on a "going concern" basis for a consideration estimated at about INR 110,50,00,000 (Indian Rupees One hundred ten crore fifty lacs); (ii) investing into and accepting equity shares of BSEML issued in lieu of consideration for the sale and transfer of Professional Electronics and Industrial Systems Business of the Company estimated at about INR 110,50,00,000 (Indian Rupees One hundred ten crore fifty lacs) at a value determined by M/s Sharp & Tannan, Chartered Accountants; and (iii) to provide financial assistance in terms of loans to BSEML or placing inter corporate deposits with BSEML or providing corporate guarantees to Banks/ financial institutions/ NBFCs on behalf of BSEML for an amount not exceeding INR 25,00,00,000 (Indian Rupees Twenty five crore).

RESOLVED FURTHER THAT the Managing Director and the Executive Director(s) of the Company be and are hereby authorised to do all such acts, deeds and such matters and things, as may be necessary or expedient, including finalising, varying, settle any question, remove any difficulty or doubt that may arise from time to time in relation to the aforesaid related party transaction and settling the terms and conditions of the agreements concerning the aforesaid related party transactions proposed to be entered into by the Company with BSEML and to finalise, execute, deliver and perform, such agreements (including but not limited to the agreement to sell business), contracts, deeds, undertaking other documents, file applications and make representations, in respect thereof and seek requisite approval from the relevant authorities including Government Authorities, suitably inform and apply to the concerned Authorities, including in respect of its requirements of the Central and/ or State Government(s) and/or local authorities.



RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred by these resolutions to the Managing Director and the Executive Directors or any other Officer(s)/ Authorised Representative(s) of the Company to give effect to these Resolutions.”

2. I have given my consent to act as Scrutinizer vide letter dated 20th January, 2015. At the meeting of the Board of BLUE STAR LIMITED, S.R.Iyer, Secretary was made responsible for the entire postal ballot process and was authorized to do all things and to take all incidental and necessary steps for the postal ballot process.
3. The Company has extended the facility of e-voting to the shareholders who have registered their e-mail address, by tying up with the National Securities Depository Limited (NSDL) e-voting facility.
4. The votes cast by the shareholders through the e-voting facility were scrutinized by verifying it using the scrutinizer’s login on the NSDL e-voting Website.
5. The postal ballot forms were kept under my safe custody before commencing the scrutiny of such postal ballot forms.
6. Scrutiny of ballots commenced on 19th February, 2015 in my presence and continued till 5th March, 2015.
7. The postal ballot forms were duly opened in the presence of my representatives and scrutinized and the share holdings were matched / confirmed with the register of members of the Company/ list of beneficiaries as on 23rd January, 2015.
8. Particulars of all the postal ballot forms received from the members have been entered in the register.
9. All postal ballot forms received and e-voting cast up to 5.30 pm on 4th March, 2015 the last date and time fixed by the Company for receipt of votes were considered for my scrutiny.
10. Envelopes containing postal ballot forms received thereafter were not considered.
11. I have not found any defaced or mutilated ballot paper.
12. With reference to the above I submit my report as under:

The issued, subscribed and paid up equity capital is Rs. 1,798,722,10 comprising of 8,99,36,105 Equity shares of Rs. 2/- each. As on the Record date 23rd January, 2015 there were 20642 members.

On February 02, 2015, the completed dispatch of Notice dated February 02, 2015 containing the proposed Resolution along with the Explanatory Statement:

- a) to 10025 members by emailing the same to their email address registered against their account and
- b) to 10612 members by posting the same by Speed Post / Registered Post along with the Postal Ballot Form and self-addressed postage prepaid envelope.



Resolution-1

Out of total 20642 members, 189 members cast their votes by e-voting and 398 members by Postal Ballot Forms. Of the 398 Postal Ballot Forms 52 Postal Ballot Forms comprising of 33649 votes were considered invalid on account of a) signature difference or b) option not exercised or c) both options exercised or d) Postal Ballot not signed or e) relevant authorisation not attached in case of voting by body corporate.

Resolution-2

Out of total 20642 members, 191 members cast their votes by e-voting and 398 members by Postal Ballot Forms. Of the 398 Postal Ballot Forms 62 Postal Ballot Forms comprising of 41949 votes were considered invalid on account of a) signature difference or b) option not exercised or c) both options exercised or d) Postal Ballot not signed or e) relevant authorisation not attached in case of voting by body corporate.

12.1 The combined results of Postal Ballot through e-voting and postal ballot forms is as under:

Resolution-1 (Including promoters)

Particulars	Number of			Number of Votes contained in			Percentage
	Postal Ballot Forms	e-Voting	Total	Postal Ballot	e-Voting	Total	Total
Assent	335	175	510	415954	51860788	52276742	99.98%
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Dissent	11	14	25	12730	1566	14296	0.08%
Total	336	170	506	419144	17031008	17450152	100%

12.2 In view of the above results, I hereby certify that the Special Resolution proposed at Item no-1 & 2 of notice dated 2nd February, 2015 has been passed with requisite majority.

13. I will hand over the Postal Ballot forms and other relevant papers / register and records for safe custody of Mr. S.R. Iyer – Secretary who is authorized by the Board to supervise the Postal Ballot process after declaration of result on 11/03/2015 and signing of minutes by the chairman of the meeting.

Navnitlal Bhatia

Place: Mumbai
Date: 5th March, 2015



Navnitlal Bhatia
Scrutinizer
FCS-1176