



Blue Star Limited  
Kasturi Buildings,  
Mohan T Advani Chowk,  
Jamshedji Tata Road,  
Mumbai 400 020, India.  
Tel : +91 22 6665 4000  
Fax : +91 22 6665 4152  
www.bluestarindia.com

October 9, 2014

**The Secretary,  
The Bombay Stock Exchange Ltd.  
Phiroze Jeejeebhoy Towers  
Dalal Street  
MUMBAI 400 023.  
Fax No.2272 3121**

**The Secretary,  
National Stock Exchange of India Ltd.  
'Exchange Plaza', C-1 Block G,  
Bandra-Kurla Complex  
Bandra (E)  
MUMBAI 400 051.  
Fax No. 2659 8237**


Dear Sirs,

**Sub: Proposed Scheme of Amalgamation**

It will be recalled that the Board of Directors of the Company had approved on May 30, 2014, a Scheme of Amalgamation of the Company and its subsidiaries, viz. Blue Star Design & Engineering Limited (BSDEL) and Blue Star Electro Mechanical Limited (BSEML) under the provisions of Sections 391 to 394 of the Companies Act, 1956.

At its meeting held today (October 9, 2014), the Board of Directors reviewed the above Scheme of Amalgamation in light of certain amendments to the Income Tax Act in August 2014 under the Finance Act, 2014.

While the business rationale for integration of the Company and its two subsidiaries still holds good and justified, in view of the changes in the tax laws and regulatory changes and the fact that the Scheme had been envisaged under the erstwhile tax and regulatory regime, the proposed Scheme to achieve the integration in the current context appears inappropriate.

 ..2

-: 2 :-

Under the circumstances, the Board has decided not to proceed with the same and not to pursue the Scheme any further.

Since the original appointed date of the Scheme was October 1, 2014, there will not be any material implications of this decision on financials of the Company.

Thanking you,

Very truly yours  
**BLUE STAR LIMITED**

A handwritten signature in black ink, appearing to read 'Sangameshwar Iyer', with a horizontal line extending to the right.

**SANGAMESHWAR IYER**  
**COMPANY SECRETARY**