



Registered Office:
Kasturi Buildings
Mohan T Advani Chowk
Jamshedji Tata Road
Mumbai 400 020.

May 23, 2003

Notice

NOTICE is hereby given that the 55th Annual General Meeting of the Members of the Company will be held at Jai Hind College Hall, 23-24, Backbay Reclamation, 'A' Road, Churchgate, Mumbai 400 020, on Wednesday, July 23, 2003 at 2.30 p.m. to transact the following business:

A. ORDINARY BUSINESS

1. To receive and adopt the Directors' Report, the audited Balance Sheet as at March 31, 2003, the Profit & Loss Account for the financial year ended as at the same date and the Auditor's Report thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr Atul C Choksey who retires by rotation but has expressed his desire not to seek reappointment. The Board does not propose any Director to fill the vacancy for the time being.
4. To appoint a Director in place of Mr Suresh N Talwar who retires by rotation and, being eligible, offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration.

B. SPECIAL BUSINESS

6. To consider and, if thought fit, to pass with or without modification, as an Ordinary Resolution, the following:
"RESOLVED that Mr Pradeep Mallick be and is hereby appointed as a Director of the Company."
7. To consider and, if thought fit, to pass with or without modification, as an Ordinary Resolution, the following:
"RESOLVED that Mr Gurdeep Singh be and is hereby appointed as a Director of the Company."
8. To consider and, if thought fit, to pass with or without modification, as an Ordinary Resolution, the following:
"RESOLVED that pursuant to the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, Mr Ashok M Advani be and is hereby reappointed as a wholetime Director of the Company for a period of 5 years with effect from October 1, 2003 upon the remuneration and terms and conditions set out in the draft agreement placed before this meeting and initialled by the Company Secretary for the purpose of identification."
9. To consider and, if thought fit, to pass with or without modification, as an Ordinary Resolution, the following:
"RESOLVED that pursuant to the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, Mr Suneel M Advani be and is hereby reappointed as a wholetime Director of the Company for a period of 5 years with effect from October 1, 2003 upon the remuneration and terms and conditions set out in the draft agreement placed before this meeting and initialled by the Company Secretary for the purpose of identification."
10. To consider and, if thought fit, to pass with or without modification, as a Special Resolution, the following:
"RESOLVED that pursuant to Section 163 and other applicable provisions, if any, of the Companies Act, 1956, the Company's Register of Members, Index of Members and copies of all its Annual Returns prepared under Section 159 of the said Act together with copies of certificates and documents required to be annexed thereto under Section 161 of the said Act be kept on and from August 1, 2003 at the Office of the Company's Registrar and Share Transfer Agents, Intime Spectrum Registry Ltd., C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup, Mumbai 400 070."

NOTES

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of Special Business under Items 6 to 10 above is annexed hereto. Information as required under Clause 49(VIA) of the Listing Agreement, relating to the Directors proposed to be reappointed is also provided in the Annexure to this Notice.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL ONLY AND THE PROXY NEED NOT BE A MEMBER. THE PROXY FORM SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.

3. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, July 9, 2003 to Wednesday, July 16, 2003 (both days inclusive).

4. The dividend declared at the Annual General Meeting will be paid on or after July 25, 2003, only to those Members whose names appear on the Company's Register of Members on July 16, 2003.

5. Under Section 205A of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of payment is required to be transferred to the Investor Education and Protection Fund of the Central Government and accordingly the Company will be transferring the unpaid and unclaimed amount pertaining to Dividend paid for the year 1995-96 to the Investor Education and Protection Fund of the Central Government in September, 2003.

Members who have not encashed the dividend warrant(s) so far for Dividend 1996 or any subsequent dividend payment(s) are requested to make their claims to the Company immediately. Please note that as per Section 205C of the Companies Act, 1956, no claim shall lie against the Company or the said Fund in respect of individual amounts which remain unclaimed or unpaid for a period of seven years from the date of payment and no payment shall be made in respect of such claims.

6. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, power of attorney, change of address, change in name, etc., to their depository participant (DP). These changes will be automatically reflected in Company's records, which will help the Company to provide efficient and better service to the members. Members holding shares in physical form are requested to intimate the changes to the Share Transfer Agents of the Company.

7. Members are advised to avail of the facility for receipt of future dividends through Electronic Clearing Service (ECS). The ECS facility is available at the specified locations. Members holding shares in dematerialized mode are requested to contact their respective Depository Participants (DPs) for availing ECS facility. Members holding shares in physical form and desirous of availing ECS facility are requested to write to the Company or its Registrars for details.

By Order of the Board of Directors

K P T KUTTY
Company Secretary

Annexure to Notice

1. EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173 OF THE COMPANIES ACT, 1956.

As required by Section 173 of the Companies Act, 1956, the following Explanatory Statements set out all material facts relating to Special Business mentioned in the accompanying Notice dated May 23, 2003.

Item No. 6

The Board of Directors of the Company at its meeting held on January 29, 2003, appointed Mr Pradeep Mallick as an Additional Director of the Company. As per the provisions of the Section 260 of the Companies Act, 1956, Mr Pradeep Mallick holds office as Additional Director upto the date of the forthcoming Annual General Meeting.

The Company has received Notice under Section 257 of the Companies Act, 1956, from a member proposing the appointment of Mr Pradeep Mallick as a Director of the Company.

Mr Pradeep Mallick (60 years) is a B. Tech from IIT, Madras and Diploma holder in Business Management from UK. He is also a Chartered Engineer and Fellow of the Institution of Electrical Engineers, London. He has worked with several leading companies such as Crompton Greaves, Tata Exports, Genelec, etc., before joining Wartsila India Limited as its Managing Director in 1988 which position he continued till April, 2003. He is also associated with several Trade Associations like Confederation of Indian Industry, Bombay Chamber of Commerce & Industry etc. His long and varied experience in the Engineering Industries will benefit immensely to the growth of the Company.

Details of his other Directorship/Membership of Committees are given below:

Name of the Company	Directorship	Committee Membership
Accor Radhakrishna Corporate Services Pvt Ltd	Chairman	
Maersk India Pvt Ltd	Director	
Schenectady-Beck India Ltd	Director	Audit Committee
SBI Fund Management Pvt Ltd	Director	
Tata Telecom Ltd	Director	Shareholder/Investor Grievance Committee

None of the Directors of the Company except Mr Pradeep Mallick is concerned or interested in passing the above resolution.

Item No. 7

The Board of Directors of the Company at its meeting held on May 23, 2003, appointed Mr Gurdeep Singh as an Additional Director of the Company. As per the provisions of the Section 260 of the Companies Act, 1956, Mr Gurdeep Singh holds office as Additional Director upto the date of the forthcoming Annual General Meeting.

The Company has received Notice under Section 257 of the Companies Act, 1956, from a member proposing the appointment of Mr Gurdeep Singh as a Director of the Company.

Mr Gurdeep Singh (58 years) graduated in Chemical Engineering from IIT, Delhi in 1966 and joined Hindustan Lever Ltd, shortly thereafter as a Management Trainee. He held various responsible positions in the Company before he was appointed as Director – Human Resource, Corporate Affairs and Technology in 1998, which position he is holding till now. During 1993-1998, he was appointed as Technical Director of Unilever Detergents Business in Brazil. His technical expertise and varied experience will immensely benefit the Company.

Details of his other Directorship/Membership of Committees are given below:

Name of the Company	Directorship	Committee Membership
Hindustan Lever Limited	Director	Compensation Committee
Sivalik Cellulose Limited	Chairman	
Nepal Lever Limited	Co-Chairman	
Lever Associated Trust Ltd	Director	
Hind Lever Chemicals Ltd	Director	

None of the Directors of the Company except Mr Gurdeep Singh, is concerned or interested in passing the above resolution.

Item No. 8 and 9

Mr Ashok M Advani and Mr Suneel M Advani were appointed as wholetime Directors for a period of 5 years with effect from October 1, 1998, upon the salary, commission, perquisites and other benefits as per Schedule XIII of the Companies Act, 1956. The term of the wholetime Directors expires on September 30, 2003.

Mr Ashok M Advani (61 years) is an MBA from Harvard Graduate School of Business Administration, an Electrical Engineer from the Massachusetts Institute of Technology, USA and a B.Sc (Honours) from Bombay University. He joined the Company in 1969 and held various senior positions in Manufacturing and Finance in the Company before becoming a Director in 1979. He was appointed President & Vice Chairman in 1981 and took over as Chairman & Chief Executive in 1984.

Details of his other Directorship/Membership of Committees are given below:

Name of the Company	Directorship	Committee Membership
Blue Star Infotech Limited	Vice Chairman	Shareholders' Grievance Committee
Yokogawa Blue Star Ltd	Director	
ADMO Holdings Pvt Ltd	Director	
SUNAG Investments Pvt Ltd	Director	
SUNASHAD Investments Pvt Ltd	Director	
Mohan T Advani Finance Pvt Ltd	Director	
J T Advani Finance Pvt Ltd	Director	

Mr Suneel M Advani (59 years) is a double graduate in Electrical Engineering and Economics from the Massachusetts Institute of Technology, USA. He also holds a law degree from Bombay University. He joined the Company in 1969 as a Management Trainee and moved steadily holding senior positions before joining the Board in 1983 as Executive Director. He was elevated to the position of President & Vice Chairman in 1984.

Details of his other Directorship/Membership of Committees are given below:

Name of the Company	Directorship	Committee Membership
Blue Star Infotech Limited	Chairman	Shareholders' Grievance Committee
Blue Star Infotech America Inc	Chairman	
Blue Star Infotech (UK) Ltd	Chairman	
Blue Star Infotech (Malaysia) Sdn Bhd	Chairman	
Arab Malaysian Blue Star Sdn Bhd	Director	
ADMO Holdings Pvt Ltd	Director	
SUNAG Investments Pvt Ltd	Director	
SUNASHAD Investments Pvt Ltd	Director	
Mohan T Advani Finance Pvt Ltd	Director	
J T Advani Finance Pvt Ltd	Director	

Considering their long experience and the contribution made to the growth of the Company, the Board of Directors propose to reappoint Mr Ashok M Advani and Mr Suneel M Advani for a period of 5 years with effect from October 1, 2003, upon the remuneration, terms and conditions as set out in the draft agreements placed before this Meeting and initialled by the Company Secretary for the purpose of identification.

The abstract of the terms and conditions contained in the draft agreements is as follows:

A. Salary

1. Mr Ashok M Advani Rs.1,50,000/- per month
2. Mr Suneel M Advani Rs.1,50,000/- per month

with annual increments at such rate as may be approved by the Board of Directors of the Company subject to the ceiling of 25% of their basic salary.

B. Commission

One percent of the net profits of the Company as computed under Section 349 of the Companies Act, 1956, provided that the total remuneration shall not exceed the individual and overall ceilings prescribed under Section 198 and 309 of the Companies Act, 1956 for the time being or from time to time in force.

C. Perquisites

i) In addition to the salary and commission, Mr Ashok M Advani and Mr Suneel M Advani are also entitled to perquisites and allowances, including furnished accommodation or house rent in lieu thereof, gas, electricity, water and furnishings, medical reimbursement and leave travel concessions for self and family, club fees, medical and personal accident insurance, or such other perquisites in accordance with the Rules applicable to other senior executives of the Company subject to the condition that the total perquisites will be restricted to an amount equivalent to twice the annual salary of the wholetime Directors.

For the purpose of calculating the above, perquisites shall be evaluated as per Income-tax Rules wherever applicable.

ii) Company's contribution to Provident Fund, Superannuation Fund and Annuity Fund to the extent these are, either singly or put together, not taxable under the Income-tax Act; Gratuity as per the Rules of the Company and encashment of leave at the end of the tenure will not be included in the computation of the ceiling on remuneration specified above.

iii) Car for use on Company's business and telephone and other communication facilities at residence will not be considered as perquisites.

In the event of loss or inadequacy of profits in any financial year, the Wholetime Directors shall be paid remuneration by way of salary and perquisites in accordance with the provisions contained in Part II Section II of Schedule XIII of the Companies Act, 1956, or any statutory modifications therein or enactment thereof.

D. Leave

In accordance with the rules of the Company as applicable to other senior executives of the Company.

E. Others

Reimbursement of actual entertainment expenses, actual travelling and hotel expenses for the Company's business and/or allowances as per the Company's Rules.

F. Nature of Duties

They shall devote their whole time and attention to the business of the Company, perform their duties truly and faithfully and comply with the directives given to them from time to time by the Board, and further not to disclose to any person, firm or company any confidential information.

G. Other Conditions

They shall not during their tenure as Wholetime Directors, become interested or otherwise concerned directly or through their wives and/or minor children, if any, in any Selling Agency of the Company without the prior approval, if any as required under the Companies Act, 1956.

H. Termination

- (a) The Board is entitled to terminate the Agreement forthwith by notice in writing on his vacation of office of Director by virtue of Sections 283, 284, and other applicable provisions of the Companies Act, 1956.
- (b) 6 months' notice in writing by either party.

I. Arbitration

Disputes to be settled by arbitration.

The draft of the said Agreements will be available for inspection by the members at the Registered Office of the Company on any working day from Monday to Friday and will be available at the Meeting.

No other Directors except Mr Ashok M Advani and Mr Suneel M Advani are interested in passing the above resolution.

This Explanatory Statement together with the accompanying Notice may also be regarded as an abstract and memorandum under Section 302 of the Companies Act, 1956.

Item No. 10

The Registrar & Share Transfer Agents, M/s. Intime Spectrum Registry Limited have shifted their office from 260, Shanti Industrial Estate, Sarojini Naidu Road, Mulund (W), Mumbai 400 080 to a more spacious and convenient office at C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup, Mumbai 400 070. In view of this, effective August 1, 2003, the Register of Members, Index of Members and copies of all Annual returns under Section 159 of the Companies Act 1956, will be kept at the new office.

Pursuant to Section 153 of the Companies Act 1956, this needs the approval of the shareholders by a special resolution. The Board therefore recommends the proposed resolution for your approval.

None of the Directors of the Company is concerned or interested in passing the above resolution.

2. INFORMATION AS REQUIRED BY CLAUSE 49(VIA) OF THE LISTING AGREEMENT

As required by Clause 49 (VIA) of the Listing Agreement with the Stock Exchange, the information relating to the Directors proposed to be appointed/ reappointed is provided hereunder:

Mr Suresh N Talwar

Mr Suresh Talwar (65 years) is a graduate in Commerce and Law and a Solicitor and Senior Partner of Crawford Bayley & Company, Mumbai. He joined the Board in June 1986. He is a legal Counsel to various Indian companies, multinational corporations and Indian and foreign banks. He has vast legal experience and expertise in corporate matters.

Details of his other Directorship/Membership of Committees are given below:

Name of the Company	Directorship	Committee Membership
Armstrong World Industries (India) Pvt Ltd	Chairman & Alternate Director	
PZ Cussons India Pvt Ltd	Chairman & Alternate Director	
FCI OEN Connectors Ltd	Chairman & Alternate Director	Audit Committee
Trans Warranty Finance Ltd	Chairman & Alternate Director	
Greaves Morganite Crucible Ltd	Chairman	
Moly Colloids Pvt Ltd	Chairman	
Merk Ltd	Chairman	Audit Committee
Romil Finance & Investments Pvt Ltd	Chairman	
S&M Agencies Pvt Ltd	Chairman	
Sea-Land Holdings India Pvt Ltd	Chairman	
S&M Logistics Pvt Ltd	Chairman	
Sidham Finance & Investments Pvt Ltd	Chairman	
20 th Century Fox Corpn (I) Pvt Ltd	Chairman	
ACNielsen ORG-Marg Pvt Ltd	Director	
Aon Global Insurance Services Pvt Ltd	Director	
Blue Star Infotech Ltd	Director	Audit Committee
Birla Sun Life Insurance Co Ltd	Director	
Burroughs Wellcome (India) Ltd	Director	Audit Committee
BPL Communications Ltd	Director	Audit Committee
Cadbury India Ltd	Director	Audit Committee
Carborundum Universal Ltd	Director	
Cholamandalam MS General Insurance Company Limited	Director	
Chowgule & Company Ltd	Director	
Decagon Investments Pvt Ltd	Director	
Emerson Process Management (India) Pvt Ltd	Director	
HGC Foundation Pvt Ltd	Director	
India Value Fund Trustee Co Pvt Ltd	Director	
IVF (Mauritius) PCC	Director	
JM Morgan Stanley Retail Services Pvt Ltd	Director	
JM Morgan Stanley Securities Pvt Ltd	Director	
Renfro India Pvt Ltd	Director	
Rishabh Instruments Pvt Ltd	Director	
Refco (India) Pvt Ltd	Director	
Reva Electric Car Company Pvt Ltd	Director	
Rediffusion-Dentsu, Young & Rubicam Pvt Ltd	Director	
RCI India Pvt Ltd	Director	
Sandvik Asia Ltd	Director	Audit Committee
Shrenuj & Co Ltd	Director	

Name of the Company	Directorship	Committee Membership
Solvay Pharma India Ltd	Director	Audit Committee
Swiss Re Shared Services (India) Pvt Ltd	Director	
Sonata Software Ltd	Director	
Albright & Wilson Chemicals India Ltd	Alternate Director	
Esab India Ltd	Alternate Director	
Garware Wall Ropes Ltd	Alternate Director	
Johnson & Johnson Ltd	Alternate Director	
John Fowler (India) Ltd	Alternate Director	
MTL Instruments Pvt Ltd	Alternate Director	
Madura Coats Ltd	Alternate Director	Audit Committee
Schenectady (India) Holdings Ltd	Alternate Director	
Schenectady-Beck India Ltd	Alternate Director	
Schenectady Specialities Asia Pvt Ltd	Alternate Director	
Schenectady Herdillia Ltd	Alternate Director	
Timbron India Pvt Ltd	Alternate Director	
Uhde India Ltd	Alternate Director	
Wyeth Ltd	Alternate Director	

Details as required under Clause 49(VIA) of the Listing Agreement in respect of Items No. 6 to 9 of the Notice are given in the Explanatory Statement hereinabove.

BLUE STAR LIMITED

Kasturi Buildings
Mohan T Advani Chowk
Jamshedji Tata Road
Mumbai 400 020

By Order of the Board of Directors

K P T KUTTY
Company Secretary

May 23, 2003

FOR THE ATTENTION OF SHAREHOLDERS

- Shareholders are requested to forward their queries on the Accounts for the financial year ended March 31, 2003 to the Registered Office of the Company at least 10 days in advance to enable us to keep the information ready at the Meeting.
- The Annual Reports and Attendance Slips will not be distributed at the Annual General Meeting. Shareholders attending the Meeting are requested to bring the same along with them.