

**Blue Star Limited**  
**Q1 FY17 Earnings Update**  
**Aug 2, 2016**

## FINANCIAL HIGHLIGHTS FOR Q1 FY'17

Following are the financial highlights of the Company for the year ended June 30, 2016 on a consolidated basis:

- Total Operating Income for the year ended June 30, 2016 was Rs. 1216.81 crores as compared to Rs 947.1 crore in Q1 FY'16 (excluding BSIL's operating income of Rs. 73.2 crore), representing a growth of 28.5% over last year.
- PBIDTA for the current quarter was Rs. 76.49 crores as compared to Rs. 67.06 crores in Q1 FY'16 (excluding BSIL's PBIDTA of Rs. 8.19 crores), a growth of 14.07%.
- Profit before Tax was Rs. 64.90 crores in Q1 FY'17 as compared to Rs. 49.38 crores in Q1 FY'16 (excluding BSIL's PBT of Rs. 10.00 crores), a growth of 31.42%.
- Tax expense for Q1 FY'17 was Rs. 14.48 crore as compared to Rs. 22.23 crore in Q1 FY'16. Our income in the current quarter was subject to MAT at an effective rate of 21.03%.
- Exceptional item in Q1 FY'16 relates to the recognition of Rs. 35.27 crore surplus on sale of Blue Star Infotech's IT business. There were no Exceptional Items in Q1 FY'17. Consequently, the consolidated net profit for the current quarter decreased to Rs. 51.39 crore from Rs 72.42 crore in Q1 FY16.
- Order inflow in Blue Star stand-alone during Q1 FY'17 increased by 33% to Rs. 1373 crore from Rs 1034 crores over the same period last year.
- Carry-forward Order Book for Blue Star stand-alone as at June 30, 2016 increased by 19% to Rs 1776 crores compared to Rs 1493 crores as at June 30, 2015.
- Net borrowings for Blue Star stand-alone reduced from Rs. 243 crores as on March 31, 2016 to Rs. 225 crores as on June 30, 2016
- Net borrowings for our 100% subsidiary, Blue Star Engineering & Electronics Limited reduced from Rs. 60 crore as on March 31, 2016 to Rs. 58 crore as on June 30, 2016
- Consolidated capital employed increased to Rs. 665.83 crore as on June 30, 2016 from Rs. 612.62 crore as on March 31, 2016 in line with business volume growth.

## **BUSINESS HIGHLIGHTS FOR Q1 FY'17**

### **Segment I**

#### **Electro-Mechanical Projects & Packaged Air Conditioning Systems**

Segment I revenue increased to Rs. 439.58 crore from Rs 351.70 crores in Q1 FY'16, registering a growth of 25%. Segment results however reduced to Rs. 5.44 crores (1.2%) in Q1 FY'17 from Rs. 8.15 crores (2.3%) in Q1 FY'16. While order inflow has been improving in the last two quarters, the pace of order execution has still not picked up, leading to delays in projects. As a consequence, we have stepped up our focus to exercise greater prudence on accruing project level cost and revenue in order to improve consistency of financial performance reporting for this segment, going forward. This conservative position has resulted in lower margins in the quarter. As the pace of execution picks up in the second half of the year, we will see an improvement in operating margins and the full year is expected to be better than FY16.

Order inflow in Q1 FY'17 grew by 35% over the same period last year in this segment. Carry-forward order book was Rs 1724 crores as at June 30, 2016 as compared to Rs. 1451 crores as at June 30, 2015, an increase of 19%. Some of the major orders won by Blue Star during Q1 FY'17 were HCL technologies, Tata power, National Cancer Institute, GIFT City, India Bulls and Emami.

The market for electro mechanical projects grew by around 13% on the back of an increase in overall consumption. Government funded infrastructure projects picked up pace. However, the private sector investment climate remained subdued and there has been no visible increase in capital spending or commitments. Top performing segments included government funded projects such as metro rail, education and health care. There was marginal growth in sectors such as IT / ITeS, commercial office space and also in the power sector.

Although, the current pace of project execution remains slow, there are expectations around project execution gaining momentum and faster pace over the next few quarters.

#### **Central Plant Equipment and VRF Business**

In the central plant equipment business, the market continued to remain sluggish similar to the projects space. However, Delhi NCR, Mumbai and Bengaluru markets showed some signs of improvement during the quarter. Demand in segments such as educational institutions, healthcare and hospitality improved, while progress in the commercial space, IT/ITeS segments continued to be muted.

During the quarter, VRF business recorded fastest growth rate amongst all the categories as a result of its energy efficiency and unique features. The chiller business also registered faster growth. The company launched 3 new products during Q1 FY'17, which are, inverter ducted systems, VRF IV S (side discharge VRF system) and VRF Sprint (pre-piped VRF system). The response of the market to these products has been quite encouraging.

Major orders received during this period by this business were from HCL technologies, HDFC Bank, Kiran Gems, Wipro GE, Aurobindo Pharma, Axis Bank, and Udaipur Cement Works.

### **Service Business**

Blue Star continues to be the largest after-sales air conditioning and commercial refrigeration service provider in the country and has sustained its reputed position in the market place as a superior value-added service provider. Customer satisfaction levels remained high despite high call volume and early onset of summer. The new call desk which operates 24x7 could manage high call volume of 3 lacs call this summer. Most of the major corporate renewed their AMC contracts.

### **International Business**

The International Business Group comprises global projects and global product sales. The global projects business includes our joint ventures in Qatar, Malaysia and Oman.

During the quarter, Blue Star signed up with A F Technology, which is a part of Al Futtaim Engineering, a leading conglomerate in UAE for the distribution of VRF systems, AHUs, FCUs and Chillers..

Blue Star has also entered the ASEAN region, with a distribution tie up with AA Techno Corporation in Vietnam as a distributor for room air conditioners and applied system products. The Company has also introduced room air conditioners with eco friendly refrigerant R410A and anti-corrosive green fin technology for the Maldives market resulting in a market share of 12% in that country.

The domestic economy in Oman is experiencing its share of downturns in the construction sector as a consequence of current oil prices driven economic stagnancy. New projects tendering has shrunk. Our JV in Oman has succeeded in winning its first large order with Sandan Integrated Business and Industrial City, Halban, near Muscat.

In the following months, Blue Star plans to participate in multiple major trade shows such as Climate Abu Dhabi, IHE exhibition, Big 5 Show Dubai, Hotel Asia, The Big Show Oman as part of a strategy to create brand awareness in the international markets.

## Segment II

### Unitary Products

The consolidated segment registered revenue growth of 34%, from Rs 553.77 crores in Q1 FY'16 to Rs. 742.45 in Q1 FY'17. The segment results also improved by 31% from Rs. 78.39 crores (14.2%) in Q1 FY'16 to Rs. 102.44 crores (13.2%) in Q1 FY'17.

During the current quarter, our room AC business witnessed healthy growth rate of 38% supported by early onset of summers coupled with better product range and aggressive sales promotion. The business continued to perform better than the market, which registered a growth rate of 27% during the same period.

There is a rising preference for energy efficient models and in line with industry trend, the share of 5 Star and Inverter Split ACs combined has gone up. During the quarter, A 'free installation' scheme was announced, which was a big success and boosted retail sales. In NCR, a special campaign of "same day installation" was run during summer and more than 90% installations were done on the same day.

In the Commercial Refrigeration business, storage water cooler business witnessed fairly good growth due to increased off takes by educational institutions.

In the freezer category, the growth was slightly lower than the previous ended quarter. This is mainly due to overwhelming sales during the last quarter wherein all major requirements for the summer season were met by the key customers and their expansion on retail front was not aggressive enough. However Blue Star has introduced few new models in the glass top deep freezer category as there is an increasing demand for more stylish looks and premium finished models.

The Cold Room business growth was encouraging as compared to the last year quarter.

Earlier this year, Blue Star had announced that it is planning to enter the water purifier business. The product range for this new foray has been finalized and the Company is planning to launch its products in select markets in Q3 FY17. It is also in the process of setting up its distribution as well as its service network. The Company will initially offer residential water purifiers in multiple price points and will gradually enhance its range to cover commercial water purification systems as well.

With respect to recently launched Air cooler product line, 3 new models were launched in April 2016. The product offering would initially start with North and West and be expanded later on to other regions.

## Segment III

### Professional Electronics and Industrial Systems

In this segment, billing de-grew by 16% in Q1 FY'17 compared with Q1 FY'16 due to a change in the business mix and general market slowdown. On a like-to-like basis, the segment experienced a decrease in overall demand due to a moratorium in capex spending in the banking sector as well as lower capex spends in the minerals, metals, oil and gas segments. As a result, the segment results also de-grew by 38% during Q1 FY'17. We expect spending revival in the banking sector and also in the capital goods and therefore growth in this segment is expected to catch up over next 3 quarters. We remain confident that Segment III results will be better than FY16 on a full year basis.

During the quarter, large orders were received from HLL Lifecare, Trivandrum and Intas Pharma, Ahmedabad and data communications business won a surveillance order from Uttar Pradesh Rajkiya Nirman Nigam (UPRNN), Lucknow. The destructive and non-destructive testing business also performed well with several new large orders in the quarter.

### BUSINESS OUTLOOK

The residential and light commercial segments demonstrated healthy growth and are expected to continue the growth trend with enhanced spends by consumers. The electro-mechanical business environment continued to remain sluggish, but exhibits positive traction since some markets and segments showed signs of turnaround and improvement. The economic environment is expected to improve and is expected to benefit electro mechanical project business. The Company intends to continue to make investments in manufacturing, marketing, brand building, product development as well as human resources in the next few quarters in order to capitalize on the imminent growth opportunities.

Blue Star has evaluated the GST transition requirements based on current knowledge of the likely legislative changes. We are in a state of high readiness to migrate to the new tax regime as and when the law gets enacted.

### For more information, please contact

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## **SAFE HARBOUR**

Certain statements in this release concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fiscal policy, competition, inflationary pressures and general economic conditions affecting our industry. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

**BLUE STAR LIMITED**

Registered Office : Kasturi Buildings, Mohan T. Advani Chowk, Jamshedji Tata Road, Mumbai 400 020, CIN No.:

L28920MH1949PLC006870, Telephone No+91 022 6665 4000 , Fax No. +91 22 6665 4152

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2016 (CONSOLIDATED)**

Rs in Lacs

Sr. no.	PARTICULARS	CONSOLIDATED			
		QUARTER ENDED UNAUDITED	QUARTER ENDED (Refer Note 3)	QUARTER ENDED (Refer Note 3)	PREVIOUS YEAR ENDED (Refer Note 3)
		30.6.16	31.3.16	30.6.15	31.3.16
1	<b>Income from Operations</b>				
	a) Net Sales/Income from Operations	121,279	115,022	101,404	378,595
	b) Other Operating Income	402	1,717	623	4,381
	<b>Total Income from Operations</b>	<b>121,681</b>	<b>116,739</b>	<b>102,027</b>	<b>382,976</b>
2	<b>Expenses</b>				
	a) Cost of materials consumed (including direct project cost)	53,456	64,459	44,060	191,170
	b) Purchase of Stock in trade	32,032	34,420	17,000	70,731
	c) Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	1,742	(14,023)	5,525	(6,488)
	d) Excise Duty	771	1,034	594	3,180
	e) Employee Benefits Expense	7,632	7,676	10,368	39,856
	f) Depreciation and Amortisation Expense	1,351	1,765	1,153	5,709
	g) Other Expenses	18,399	17,156	16,954	63,034
	<b>Total Expenses</b>	<b>115,383</b>	<b>112,487</b>	<b>95,654</b>	<b>367,192</b>
3	<b>Profit from Operations before Other Income, Finance Cost and Exceptional Items (1-2)</b>	<b>6,298</b>	<b>4,252</b>	<b>6,373</b>	<b>15,784</b>
4	Other Income	1,115	1,068	597	2,967
5	<b>Profit before Finance Cost and Exceptional Items (3+4)</b>	<b>7,413</b>	<b>5,320</b>	<b>6,970</b>	<b>18,751</b>
6	Finance Costs	923	1,083	1,031	4,315
7	<b>Profit after Finance cost but before Exceptional Items (5-6)</b>	<b>6,490</b>	<b>4,237</b>	<b>5,939</b>	<b>14,436</b>
8	Exceptional Items	-	(2,471)	3,527	(1,189)
9	<b>Profit before Tax (7+8)</b>	<b>6,490</b>	<b>1,766</b>	<b>9,466</b>	<b>13,247</b>
10	Tax Expense	1,448	335	2,223	2,770
11	<b>Net Profit after Tax (9-10)</b>	<b>5,042</b>	<b>1,431</b>	<b>7,243</b>	<b>10,477</b>
12a	Share of profit in joint ventures	100	72	58	267
12b	Minority Interest	(3)	(2)	(58)	(85)
13	<b>Net Profit for the Period, (11+12)</b>	<b>5,139</b>	<b>1,501</b>	<b>7,243</b>	<b>10,659</b>
14	Other Comprehensive Income, net of tax	(1)	(41)	(26)	(113)
15	<b>Total Comprehensive Income for the period (13+14)</b>	<b>5,138</b>	<b>1,460</b>	<b>7,217</b>	<b>10,546</b>
16	Paid Up Equity Share Capital (Face Value of the share - Rs. 2/- each)	1,906	1,799	1,799	1,799
17	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	-	42,263
18	<b>Earnings Per Share (EPS) (in Rs.) (not annualised)</b>				
	a) Basic	5.39	1.57	7.60	11.18
	b) Diluted	5.37	1.57	7.59	11.15



**NOTES:**

1 The Group has adopted Indian Accounting Standards ('Ind AS') and accordingly these financial results have been prepared in compliance with Ind AS as notified by the Ministry of Corporate Affairs. The date of transition to Ind AS is April 1, 2015. The impact of transition has been accounted for in opening reserves and the comparative period results for quarter ended June 30, 2015, March 31, 2016 and year ended March 31, 2016 have been restated accordingly. The opening balance sheet as at April 1, 2015 and the results for the subsequent periods would get finalised along with the annual financial statements for the year ended March 31, 2017.

2 The reconciliation of Net Profit as previously reported (referred to as 'previous Indian GAAP') and the total comprehensive income as per Ind AS is as per the table below:

Particulars	Consolidated
	PREVIOUS YEAR ENDED 31-Mar-16
<b>Net Profit under previous Indian GAAP</b>	10,838
<i>Add/(Less):</i>	
Actuarial Gain/Loss on employee defined benefit funds recognised in other comprehensive income	322
Reassessment of effective control and interest in Blue Star Qatar - WLL taken in Ind AS in opening reserves as on April 1, 2015	(692)
Fair value of Employee Stock Option	(382)
Unwinding of discounted non-current financial assets	552
Others	97
Tax expense on the above items	(76)
<b>Net Profit for the period under Ind AS</b>	<b>10,659</b>
Other Comprehensive Income, net of tax	(113)
<b>Total Comprehensive Income under Ind AS</b>	<b>10,546</b>

The Company has exercised the option of reporting consolidated financial results from the current quarter as per Ind AS. Consequently, the above reconciliation has been provided only for the financial results for the year ended March 31, 2016 which was previously reported.

3 The Audit Committee has reviewed the above results and the Board of Directors have approved the above results at their respective meetings held on August 1, 2016. The Statutory Auditors of the Company have carried out a limited review of the results for the current quarter. The Ind AS results of the quarter ended June 30, 2015, March 31, 2016 and previous year ended March 31, 2016 have not been subjected to limited review or audit and have been presented based on the information compiled by the management after making necessary adjustments to give a true and fair view of the results in accordance with Ind AS.

4 Exceptional items for respective quarters and year end are:

Exceptional Income / (Expenses)	Consolidated			
	Quarter Ended		Year Ended	
	30-Jun-16	31-Mar-16	30-Jun-15	31-Mar-16
Bonus expenses for earlier years pursuant to retrospective amendment in statute	-	49	-	(146)
Surplus on sale of Information Technology business (refer notes 5 and 6)	-	487	3,527	4,014
Cost of Voluntary Retirement Scheme & other expenses on closure of plant	-	(283)	-	(1,869)
Cost update on major contracts	-	(2,724)	-	(2,724)
Impairment of goodwill on consolidation of BSIBIA	-	-	-	(464)
<b>Total</b>	-	<b>(2,471)</b>	<b>3,527</b>	<b>(1,189)</b>

5 Pursuant to the composite Scheme of amalgamation ('the Scheme') of Blue Star Infotech Ltd (BSIL) and Blue Star Infotech Business Intelligence & Analytics Private Limited (BSIBIA) with the Company under sections 391 to 394 of The Companies Act, 1956 sanctioned by the Honourable High Court of Bombay on April 16, 2016, the assets and liabilities of BSIL and BSIBIA were transferred to and vested in the Company with effect from April 1, 2015. The Scheme has been given effect to in the above results. Accordingly, results for the quarter ended June 30, 2015 and March 31, 2016 are restated.

6 During the quarter ended March 31, 2016, pursuant to a Business Transfer Agreement and Share Purchase Agreements executed on September 29, 2015 which was approved by the Board of Directors of BSIL on that date and subsequently by shareholders of BSIL on November 18, 2015, BSIL had sold its Information Technology business and investment in its three overseas subsidiaries (IT business) to Infogain Group. The transaction involved transfer of the business, employees and all business assets and liabilities for an agreed cash consideration of Rs.17,268 Lacs. Consequent to amalgamation and subsequent sale of the IT business, the Company had recorded a net gain of Rs. 3,527 lacs in Consolidated results on April 1, 2015 being the excess of fair value of shares cancelled upon amalgamation over the cost of such shares in the Company's books and Rs. 487 Lacs on January 1, 2016 being the profit on sale of IT business. The above has been disclosed as an exceptional item in the respective quarters.

7 The above financial results and segment includes results of discontinued operations for IT which are as below :

Particulars	Consolidated			
	Quarter Ended		Year Ended	
	30-Jun-16	31-Mar-16	30-Jun-15	31-Mar-16
Income from Operations	-	-	7,325	20,510
Expenses	-	-	6,302	17,902
Profit before tax	-	-	1,023	2,608
Capital Employed	-	-	5,476	-

8 Financial Results of Blue Star Limited (Standalone Information):

Particulars	Quarter Ended			Year Ended
	30-Jun-16	31-Mar-16	30-Jun-15	31-Mar-16
Income from operations	117,289	111,348	95,380	356,197
Profit after Finance cost but before Exceptional Items	6,714	3,950	5,443	12,304
Profit before tax	6,714	2,068	12,108	15,312
Total Comprehensive Income	5,280	1,663	9,903	12,499

Date : August 1, 2016

Place : Mumbai

www.bluestarindia.com

For BLUE STAR LIMITED

Vir. S. Advani  
Managing Director  
(DIN : 01571278)

**BLUE STAR LIMITED**  
**UNAUDITED SEGMENT WISE REVENUE, RESULTS & CAPITAL EMPLOYED FOR THE QUARTER ENDED JUNE 30, 2016 (CONSOLIDATED)**

Rs in Lacs

Sr. No.	Particulars	CONSOLIDATED			
		QUARTER ENDED UNAUDITED	QUARTER ENDED	QUARTER ENDED	PREVIOUS YEAR ENDED
		30.6.16	31.3.16	30.6.15	31.3.16
<b>I</b>	<b>SEGMENT REVENUE</b>				
	a. Electro- Mechanical Projects and Packaged Air Conditioning Systems	43,958	57,446	35,170	187,601
	b. Unitary Products	74,245	54,011	55,377	157,968
	c. Professional Electronics and Industrial Systems	3,478	5,282	4,155	16,897
	d. Others	-	-	7,429	21,217
	<b>TOTAL SEGMENT REVENUE</b>	<b>121,681</b>	<b>116,739</b>	<b>102,131</b>	<b>383,683</b>
	Less: Inter - Segment Revenue	-	-	104	707
	<b>Total Income from Operations (Net)</b>	<b>121,681</b>	<b>116,739</b>	<b>102,027</b>	<b>382,976</b>
<b>II</b>	<b>SEGMENT RESULT</b>				
	<b>PROFIT/(LOSS) BEFORE INTEREST &amp; TAX</b>				
	a. Electro- Mechanical Projects and Packaged Air Conditioning Systems	544	1,801	815	8,145
	b. Unitary Products	10,244	5,773	7,839	16,513
	c. Professional Electronics and Industrial Systems	442	677	708	2,672
	d. Others	-	-	1,023	2,608
	<b>TOTAL SEGMENT RESULT</b>	<b>11,230</b>	<b>8,251</b>	<b>10,385</b>	<b>29,938</b>
	Less: i) Interest and Other Financial Charges	923	1,083	1,031	4,315
	ii) Un-allocable Expenditure	3,817	2,931	3,415	11,187
	<b>TOTAL PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEM</b>	<b>6,490</b>	<b>4,237</b>	<b>5,939</b>	<b>14,436</b>
	Exceptional item	-	(2,471)	3,527	(1,189)
	<b>PROFIT BEFORE TAXATION</b>	<b>6,490</b>	<b>1,766</b>	<b>9,466</b>	<b>13,247</b>
<b>III</b>	<b>SEGMENT ASSETS</b>				
	a. Electro- Mechanical Projects and Packaged Air Conditioning Systems	134,807	130,994	129,852	130,994
	b. Unitary Products	66,549	68,718	52,691	68,718
	c. Professional Electronics and Industrial Systems	5,191	7,102	9,767	7,102
	d. Others	-	-	8,337	-
	e. Un-allocable Corporate Assets	42,952	43,462	40,390	43,462
	<b>TOTAL SEGMENT ASSETS</b>	<b>249,499</b>	<b>250,276</b>	<b>241,037</b>	<b>250,276</b>
<b>IV</b>	<b>SEGMENT LIABILITIES</b>				
	a. Electro- Mechanical Projects and Packaged Air Conditioning Systems	92,916	97,000	83,903	97,000
	b. Unitary Products	52,046	55,070	34,462	55,070
	c. Professional Electronics and Industrial Systems	1,895	3,964	6,109	3,964
	d. Others	-	-	2,861	-
	e. Un-allocable Corporate Liabilities	36,059	32,980	42,973	32,980
	<b>TOTAL SEGMENT LIABILITIES</b>	<b>182,916</b>	<b>189,014</b>	<b>170,308</b>	<b>189,014</b>
<b>V</b>	<b>CAPITAL EMPLOYED</b>				
	<b>(Segment Assets - Segment Liabilities)</b>				
	a. Electro- Mechanical Projects and Packaged Air Conditioning Systems	41,891	33,994	45,949	33,994
	b. Unitary Products	14,503	13,648	18,229	13,648
	c. Professional Electronics and Industrial Systems	3,296	3,138	3,658	3,138
	d. Others	-	-	5,476	-
	e. Un-allocable Corporate Assets less Liabilities	6,893	10,482	(2,583)	10,482
	<b>TOTAL CAPITAL EMPLOYED IN THE COMPANY</b>	<b>66,583</b>	<b>61,262</b>	<b>70,729</b>	<b>61,262</b>

**Note :**

1. Based on the "management approach" as defined in Ind AS 108-Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments.

2. Others include revenue and results from IT Business which was sold off during the Financial Year 2015-16

For **BLUE STAR LIMITED**

Date : August 1 , 2016  
Place : Mumbai

Vir. S. Advani  
Managing Director  
(DIN : 01571278)

**BLUE STAR LIMITED**

Registered Office : Kasturi Buildings, Mohan T. Advani Chowk, Jamshedji Tata Road, Mumbai 400 020, CIN No.: L28920MH1949PLC006870,  
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**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2016 (STANDALONE)**

Rs in Lacs

Sr. no.	PARTICULARS	STANDALONE			
		QUARTER ENDED UNAUDITED	QUARTER ENDED (Refer Note 3)	QUARTER ENDED (Refer Note 3)	PREVIOUS YEAR ENDED (Refer Note 3)
		30.6.16	31.3.16	30.6.15	31.3.16
<b>1</b>	<b>Income from Operations</b>				
	a) Net Sales/Income from Operations	116,833	110,012	94,768	352,529
	b) Other Operating Income	456	1,336	612	3,668
	<b>Total Income from Operations</b>	<b>117,289</b>	<b>111,348</b>	<b>95,380</b>	<b>356,197</b>
<b>2</b>	<b>Expenses</b>				
	a) Cost of materials consumed (including direct project cost)	51,529	62,733	42,136	183,789
	b) Purchase of Stock in trade	30,688	32,527	16,468	65,085
	c) Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	1,691	(14,151)	5,358	(6,129)
	d) Excise Duty	771	1,034	594	3,180
	e) Employee Benefits Expense	6,983	7,159	8,138	32,504
	f) Depreciation and Amortisation Expense	1,232	1,515	1,168	5,501
	g) Other Expenses	17,986	16,715	15,516	58,730
	<b>Total Expenses</b>	<b>110,880</b>	<b>107,532</b>	<b>89,378</b>	<b>342,659</b>
<b>3</b>	<b>Profit from Operations before Other Income, Finance Cost and Exceptional Items (1-2)</b>	<b>6,409</b>	<b>3,816</b>	<b>6,002</b>	<b>13,538</b>
4	Other Income	1,048	1,044	287	2,379
<b>5</b>	<b>Profit before Finance Cost and Exceptional Items (3+4)</b>	<b>7,457</b>	<b>4,860</b>	<b>6,289</b>	<b>15,917</b>
6	Finance Costs	743	910	846	3,613
<b>7</b>	<b>Profit after Finance cost but before Exceptional Items (5-6)</b>	<b>6,714</b>	<b>3,950</b>	<b>5,443</b>	<b>12,304</b>
8	Exceptional Items	-	(1,882)	6,665	3,008
<b>9</b>	<b>Profit before Tax (7+8)</b>	<b>6,714</b>	<b>2,068</b>	<b>12,108</b>	<b>15,312</b>
10	Tax Expense	1,416	367	2,163	2,622
<b>11</b>	<b>Net Profit after Tax (9-10)</b>	<b>5,298</b>	<b>1,701</b>	<b>9,945</b>	<b>12,690</b>
12	Other Comprehensive Income, net of tax	(18)	(38)	(42)	(191)
<b>13</b>	<b>Total Comprehensive Income for the period (11+12)</b>	<b>5,280</b>	<b>1,663</b>	<b>9,903</b>	<b>12,499</b>
14	Paid Up Equity Share Capital (Face Value of the share - Rs. 2/- each)	1,906	1,799	1,799	1,799
15	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	-	60,994
16	Earnings Per Share (EPS) (in Rs.) (not annualised)				
	a) Basic	5.55	1.78	10.43	13.31
	b) Diluted	5.54	1.78	10.42	13.28

**NOTES:**

- The Company has adopted Indian Accounting Standards ('Ind AS') and accordingly these financial results have been prepared in compliance with Ind AS as notified by the Ministry of Corporate Affairs. The date of transition to Ind AS is April 1, 2015. The impact of transition has been accounted for in opening reserves and the comparative period results for quarter ended June 30, 2015, March 31, 2016 and year ended March 31, 2016 have been restated accordingly. The opening balance sheet as at April 1, 2015 and the results for the subsequent periods would get finalised along with the annual financial statements for the year ended March 31, 2017.
- The reconciliation of Net Profit as previously reported (referred to as 'previous Indian GAAP') and the total comprehensive income as per Ind AS is as per the table below:

Particulars	Standalone		
	QUARTER ENDED	QUARTER ENDED	PREVIOUS YEAR ENDED
	31-Mar-16	30-Jun-15	31-Mar-16
<b>Net Profit under previous Indian GAAP</b>	<b>7,172</b>	<b>3,904</b>	<b>12,277</b>
Other adjustments due to amalgamation (refer note 5)	493	207	0
<b>Revised Net Profit under previous Indian GAAP</b>	<b>7,665</b>	<b>4,111</b>	<b>12,277</b>
<i>Add/(Less):</i>			
Excess of fair value of shares cancelled upon amalgamation over the cost of such shares in the Company's books (refer notes 5 and 6)	(6,665)	6,665	-
Actuarial Gain/Loss on employee defined benefit funds recognised in other comprehensive income	56	64	292
Fair value of Employee Stock Option	(118)	(108)	(382)
Unwinding of discounted non-current financial assets	116	157	552
Others	(79)	47	(7)
Tax expense on the above items	726	(991)	(42)
<b>Net Profit for the period under Ind AS</b>	<b>1,701</b>	<b>9,945</b>	<b>12,690</b>
Other Comprehensive Income, net of tax	(38)	(42)	(191)
<b>Total Comprehensive Income under Ind AS</b>	<b>1,663</b>	<b>9,903</b>	<b>12,499</b>

- The Audit Committee has reviewed the above results and the Board of Directors have approved the above results at their respective meetings held on August 1, 2016. The Statutory Auditors of the Company have carried out a limited review of the results for the current quarter. The Ind AS results of the quarter ended June 30, 2015, March 31, 2016 and previous year ended March 31, 2016 have not been subjected to limited review or audit and have been presented based on the information compiled by the management after making necessary adjustments to give a true and fair view of the results in accordance with Ind AS.

- Exceptional items for respective quarters and year end are:

Exceptional Income / (Expenses)	Standalone			
	Quarter Ended		Year Ended	
	30-Jun-16	31-Mar-16	30-Jun-15	31-Mar-16
Bonus expenses for earlier years pursuant to retrospective amendment in statute	-	49	-	(146)
Surplus on sale of Information Technology business (refer notes 5 and 6)	-	1,082	6,665	7,747
Cost of Voluntary Retirement Scheme & other expenses on closure of plant	-	(289)	-	(1,869)
Cost update on major contracts	-	(2,724)	-	(2,724)
<b>Total</b>	-	<b>(1,882)</b>	<b>6,665</b>	<b>3,008</b>

- Pursuant to the composite Scheme of amalgamation ('the Scheme') of Blue Star Infotech Ltd ('BSIL') and Blue Star Infotech Business Intelligence & Analytics Private Limited ('BSIBIA') with the Company under sections 391 to 394 of The Companies Act, 1956 sanctioned by the Honourable High Court of Bombay on April 16, 2016, the assets and liabilities of BSIL and BSIBIA were transferred to and vested in the Company with effect from April 1, 2015. The Scheme has been given effect to in the above results. Accordingly, results for the quarter ended June 30, 2015 and March 31, 2016 are restated.
- During the quarter ended March 31, 2016, pursuant to a Business Transfer Agreement and Share Purchase Agreements executed on September 29, 2015 which was approved by the Board of Directors of BSIL on that date and subsequently by shareholders of BSIL on November 18, 2015, BSIL had sold its Information Technology business and investment in its three overseas subsidiaries (IT business) to Infogain Group. The transaction involved transfer of the business, employees and all business assets and liabilities for an agreed cash consideration of Rs.17,268 Lacs. Consequent to amalgamation and subsequent sale of the IT business, the Company had recorded a net gain of Rs. 6,665 lacs in standalone results on April 1, 2015 being the excess of fair value of shares cancelled upon amalgamation over the cost of such shares in the Company's books and Rs. 1,082 Lacs on January 1, 2016 being the profit on sale of IT business. The above has been disclosed as an exceptional item in the respective quarters.
- The Professional Electronics and Industrial Systems (PE&IS) business has been carried on by Blue Star Engineering and Electronics Limited, a wholly owned subsidiary of the Company effective from April 1, 2015.
- The above financial results and segment includes results of discontinued operations for IT and PE&IS business which are as below :

Particulars	Standalone			
	Quarter Ended		Year Ended	
	30-Jun-16	31-Mar-16	30-Jun-15	31-Mar-16
Income from Operations	1,050	1,784	6,659	18,167
Expenses	757	1,327	5,757	15,431
Profit before tax	293	457	902	2,736
Capital Employed	533	111	4,922	111

Date : August 1, 2016  
Place : Mumbai

www.bluestarindia.com

For BLUE STAR LIMITED

Vir. S. Advani  
Managing Director  
(DIN : 01571278)

**BLUE STAR LIMITED**

**UNAUDITED SEGMENT WISE REVENUE, RESULTS & CAPITAL EMPLOYED FOR THE QUARTER ENDED JUNE 2016 (STANDALONE)**

Rs in Lacs

Sr. No.	Particulars	STANDALONE			
		QUARTER ENDED UNAUDITED	QUARTER ENDED	QUARTER ENDED	PREVIOUS YEAR ENDED
		30.6.16	31.3.16	30.6.15	31.3.16
<b>I</b>	<b>SEGMENT REVENUE</b>				
	a. Electro- Mechanical Projects and Packaged Air Conditioning Systems	41,873	55,453	33,209	179,748
	b. Unitary Products	74,366	54,111	55,512	158,282
	c. Professional Electronics and Industrial Systems	1,050	1,784	2,529	6,457
	d. Others	-	-	4,234	12,417
	<b>TOTAL SEGMENT REVENUE</b>	<b>117,289</b>	<b>111,348</b>	<b>95,484</b>	<b>356,904</b>
	Less: Inter - Segment Revenue	-	-	104	707
	<b>Total Income from Operations (Net)</b>	<b>117,289</b>	<b>111,348</b>	<b>95,380</b>	<b>356,197</b>
<b>II</b>	<b>SEGMENT RESULT</b>				
	<b>PROFIT/(LOSS) BEFORE INTEREST &amp; TAX</b>				
	a. Electro- Mechanical Projects and Packaged Air Conditioning Systems	586	1,583	893	7,579
	b. Unitary Products	10,244	5,773	7,839	16,513
	c. Professional Electronics and Industrial Systems	293	457	486	1,316
	d. Others	-	-	416	1,420
	<b>TOTAL SEGMENT RESULT</b>	<b>11,123</b>	<b>7,813</b>	<b>9,634</b>	<b>26,828</b>
	Less: i) Interest and Other Financial Charges	743	910	846	3,613
	ii) Un-allocable Expenditure	3,666	2,953	3,345	10,911
	<b>TOTAL PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEM</b>	<b>6,714</b>	<b>3,950</b>	<b>5,443</b>	<b>12,304</b>
	Exceptional item	-	(1,882)	6,665	3,008
	<b>PROFIT BEFORE TAXATION</b>	<b>6,714</b>	<b>2,068</b>	<b>12,108</b>	<b>15,312</b>
<b>III</b>	<b>SEGMENT ASSETS</b>				
	a. Electro- Mechanical Projects and Packaged Air Conditioning Systems	123,538	121,375	117,344	121,375
	b. Unitary Products	66,549	68,718	52,691	68,718
	c. Professional Electronics and Industrial Systems	1,670	924	3,556	924
	d. Others	-	-	7,217	-
	e. Un-allocable Corporate Assets	61,897	61,601	62,039	61,601
	<b>TOTAL SEGMENT ASSETS</b>	<b>253,654</b>	<b>252,618</b>	<b>242,847</b>	<b>252,618</b>
<b>IV</b>	<b>SEGMENT LIABILITIES</b>				
	a. Electro- Mechanical Projects and Packaged Air Conditioning Systems	84,230	90,210	75,429	90,210
	b. Unitary Products	52,046	55,070	34,462	55,070
	c. Professional Electronics and Industrial Systems	1,137	813	2,990	813
	d. Others	-	-	2,861	-
	e. Un-allocable Corporate Liabilities	30,700	26,474	37,086	26,474
	<b>TOTAL SEGMENT LIABILITIES</b>	<b>168,113</b>	<b>172,567</b>	<b>152,828</b>	<b>172,567</b>
<b>V</b>	<b>CAPITAL EMPLOYED</b>				
	<b>(Segment Assets - Segment Liabilities)</b>				
	a. Electro- Mechanical Projects and Packaged Air Conditioning Systems	39,308	31,165	41,915	31,165
	b. Unitary Products	14,503	13,648	18,229	13,648
	c. Professional Electronics and Industrial Systems	533	111	566	111
	d. Others	-	-	4,356	-
	e. Un-allocable Corporate Assets less Liabilities	31,197	35,127	24,953	35,127
	<b>TOTAL CAPITAL EMPLOYED IN THE COMPANY</b>	<b>85,541</b>	<b>80,051</b>	<b>90,019</b>	<b>80,051</b>

**Note :**

1. Based on the "management approach" as defined in Ind AS 108-Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments.

2. Others include revenue and results from IT Business which was sold off during the Financial Year 2015-16

For **BLUE STAR LIMITED**

Date : August 1 , 2016

Place : Mumbai

Vir. S. Advani  
Managing Director  
(DIN : 01571278)