

PRESS RELEASE**Blue Star raises Rs 350 crores through issuance of unsecured
Non-Convertible Debentures**

Blue Star Limited, India's premier air conditioning and commercial refrigeration player has successfully completed the raising of Rs 350 crores through private placement of Non-Convertible Debentures (NCDs). The NCDs will be listed on the Wholesale Debt Market of National Stock Exchange of India Limited (NSE). The NCDs are unsecured and carry a coupon rate of 7.65% with a tenure of three years along with a call option at the end of two years with the Company for half of the NCD amount. The proceeds from the issue shall be primarily utilised for financing working capital, and for repayment of existing short term borrowings and business liabilities.

Mr Vir S Advani, Vice Chairman & Managing Director of Blue Star said, "The business environment has been quite challenging and we are thankful to the NCD investors for reposing trust and confidence in Blue Star despite uncertain times. The NCD funds will infuse sufficient liquidity into the Company and will also provide resilience and necessary financial strength to our Balance Sheet over the long term. We expect that as the Government permits economic activities to resume, consumer demand will revive in due course. It is, therefore, important for us to remain prepared with adequate funding to execute our growth strategy."

Place: Mumbai

Date: June 1, 2020.

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