



BLUE STAR

Blue Star Limited

Investor Presentation – Q1FY24

August 4, 2023

- India's leading air-conditioning, commercial refrigeration and MEP contracting company
- Total Revenue from Operations: Rs. 7977 crores
- Employee Strength: 3132
- 7 manufacturing facilities
- 30 offices; 4040 channel partners
- Present in select markets in the Middle East, Africa, SAARC and ASEAN regions; recently incorporated subsidiaries in US, Europe, Japan and Uganda
- Comprehensive solutions for corporate, commercial, residential customers
- Winner of multiple Golden Peacock Awards for Corporate Governance and Risk Management
- Winner of ICSI Best Governed Company (Listed Company : Medium Category) – 2019 award.

Vision :

“To dream, to strive, to care and, above all to be the best in everything we do.”

Credo :

“I am Blue Star. I take pride in delivering a world-class customer experience.”

Governance Structure

Chairmen Emeriti



Ashok M Advani



Suneel M Advani

Board of Directors



Shailesh Haribhakti
Chairman



Vir S Advani
Vice Chairman & Managing Director



B Thiagarajan
Managing Director



Sam Balsara
Independent Director



Anil Harish
Independent Director



Anita Ramachandran
Independent Director



Arvind K Singhal
Independent Director



Rajiv R Lulla
Non-Executive Director



Sunaina Murthy
Non-Executive Director



Dinesh Vaswani
Non-Executive Director

A blue-tinted photograph of several business professionals in silhouette, standing in a modern office with large windows overlooking a city skyline at night. The scene is lit from behind, creating a strong silhouette effect against the bright city lights. The professionals are dressed in business attire, and their reflections are visible on the polished floor.

Business Segments

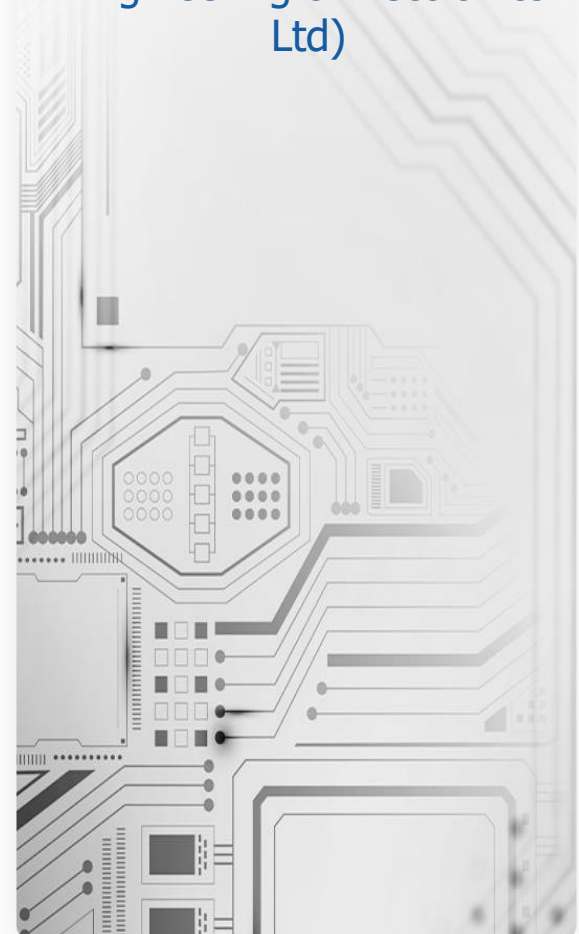
Electro-Mechanical Projects & Commercial Air Conditioning Systems



Unitary Products (Room ACs, Air Coolers, Air Purifiers, Water Purifiers and Commercial Refrigeration Products & Systems)



Professional Electronics and Industrial Systems (Housed under a wholly owned subsidiary, Blue Star Engineering & Electronics Ltd)





Segment I
**Electro-Mechanical Projects and
Commercial Air Conditioning Systems**

Electro-Mechanical Projects

- Design, engineering, procurement and execution of MEP projects in buildings (including Airports), factories (including Data centres) and infrastructure (Metro rail, Electrical substations, Railway electrification & Water MEP) segments
 - Large central air conditioning & ventilation projects
 - Electrical projects
 - Plumbing projects
 - Fire-fighting projects
- Mechanical EPC projects in large Industrial sector & Electrical EPC projects for Electrical substations
- Our Value Proposition
 - Superior project delivery through intelligent engineering, modern execution practices, and committed teams
- Winner of 'MEP Contractor of the year' seven times in a row (2017 to 2023)

- Complete range of energy-efficient Packaged and Ducted split air conditioners
- Innovative New range of Packaged & Ducted Split air conditioners with Special Filters and UVGI
- Innovative new generation Inverter ducted system
- VRF V Plus, the fifth generation VRF designed for Indian conditions and higher efficiency
- Side Discharge VRFs
- Highly Channelized Business – 660 dealers in 218 towns



Commercial Air Conditioning Systems

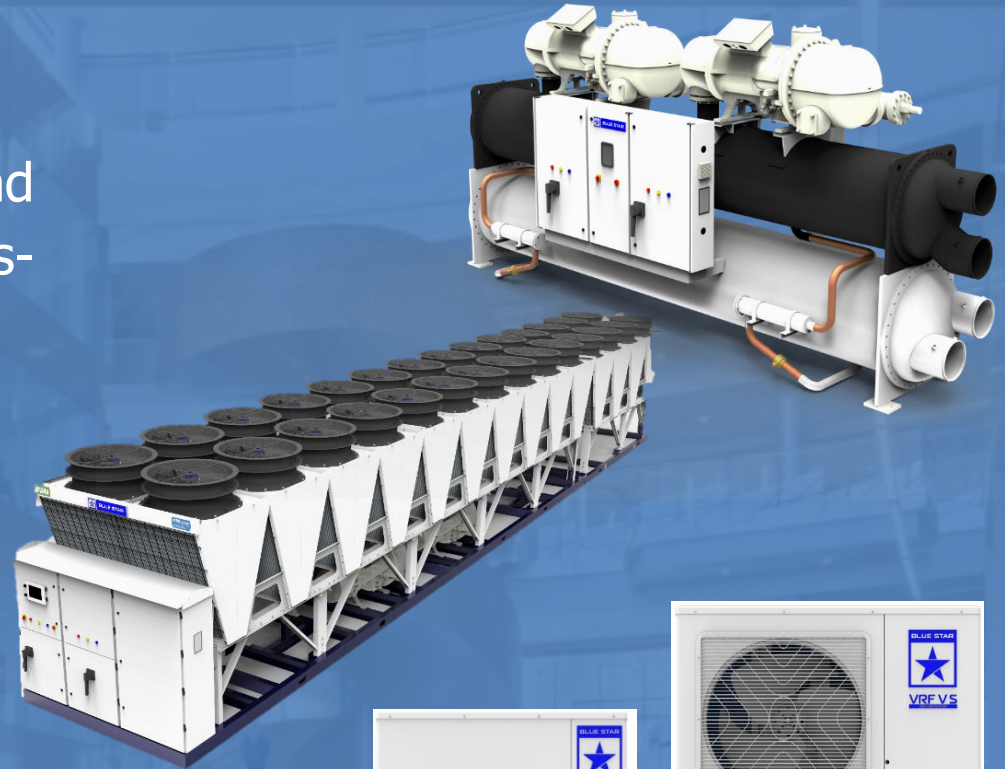


- Highly efficient 5 Star rated Configured Oil Free chillers
- Mix and Match Configured Series- Air-Cooled and Water-Cooled Screw chillers
- Energy-efficient 5 Star VFD Screw Chillers
- Energy-efficient 3 Star Inverter scroll chillers
- Process chillers for industrial and non-comfort cooling applications
- Wide range of Centrifugal Chillers from 350 TR to 4000 TR

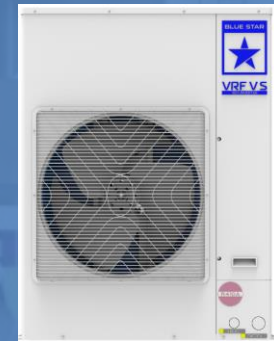


Commercial Air Conditioning Systems

- Large Capacity Mix and Match Configured Series-Screw chillers



- 5th Generation Side discharge VRF



- India's largest air conditioning and refrigeration service provider
- Maintaining around 2 million tonnes of air conditioning and refrigeration equipment
- Backed by our value proposition "Gold Standard service delivery", we extensively expanded our service reach to Tier 2, 3 & 4 towns and are currently handling 3900 towns with > 1.2 million service calls a year
- Focus on Same day installation for 90% jobs; response time of 3 hours and turnaround time of 18 hours
- State of the art 'Remote Monitoring Centre' at Thane
- ISO 9001-2015 and ISO 45001 certified
- Accreditations from TAB, NEBB, CMVP, IAQ and NADCA

- The Company's wholly owned subsidiary, Blue Star International FZCO at Dubai Airport Free Zone (DAFZA) Dubai manages businesses in the Middle East, Africa, ASEAN and SAARC regions
- Focus on building a larger international footprint by appointing new distributors and going deeper with current distributors into the market.
- A state of the art showroom at Dubai displaying the latest developments on product lines manufactured by Blue Star
- International projects at Qatar managed by a subsidiary of the company 'Blue Star Qatar'
- International projects in Malaysia managed by the company's Joint Venture at Malaysia under the management of Blue Star
- Formed new subsidiaries in the United States, Europe and Uganda to pursue opportunities there

Some of our prestigious projects



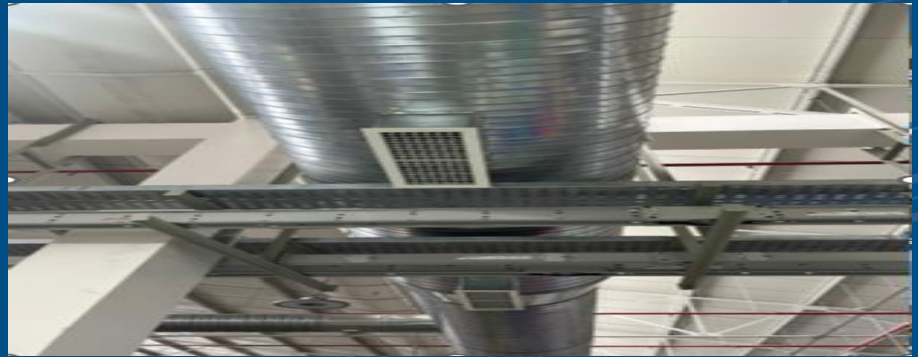
Yotta Data Centre - Noida



Wistron Infocomm - Bengaluru



Bangalore Metro Rail Corporation



Freudenberg Plant - Punjab



Jockey Factory - Cuttack



Hines Group

Some of our prestigious international projects



Al Wasl Shopping Centre - Dubai



Vox Cinema - Dubai



Al Bayt International Stadium



Al Salam - Dubai



PAVILLION 2, BUKIT JALIL MALL, Malaysia



Bowyer Wick Office & Warehouse

Segment II Unitary Products



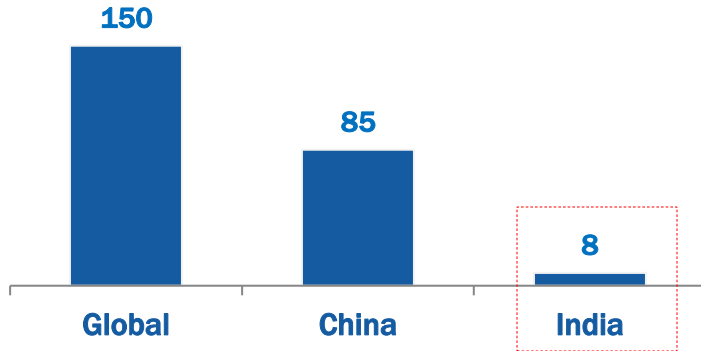
Room Air Conditioners

- Wide range of highly-affordable split ACs offering state-of-the-art features and premium build quality
- Installed base of over two million units.
- Products available in 8000 outlets in more than 650 locations across the country.
- Focus on inverter technology, energy efficient products and ACs with purification technologies.
- Focus on residential as well as corporate and commercial customers
- Aesthetics and low noise make our products widely recommended by interior designers
- Higher quality consistent performance under various Indian conditions

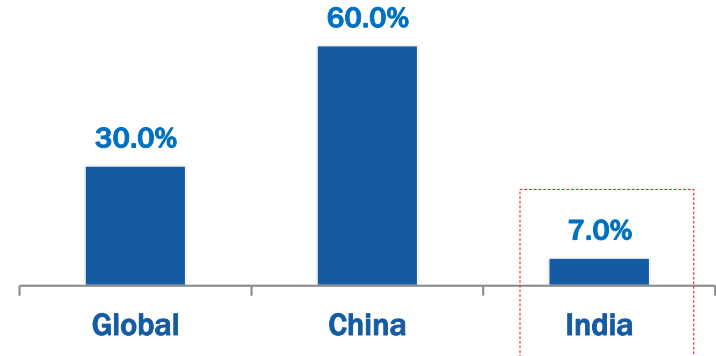


Low penetrated market and growing middle class purchasing power offer immense opportunity for growth...

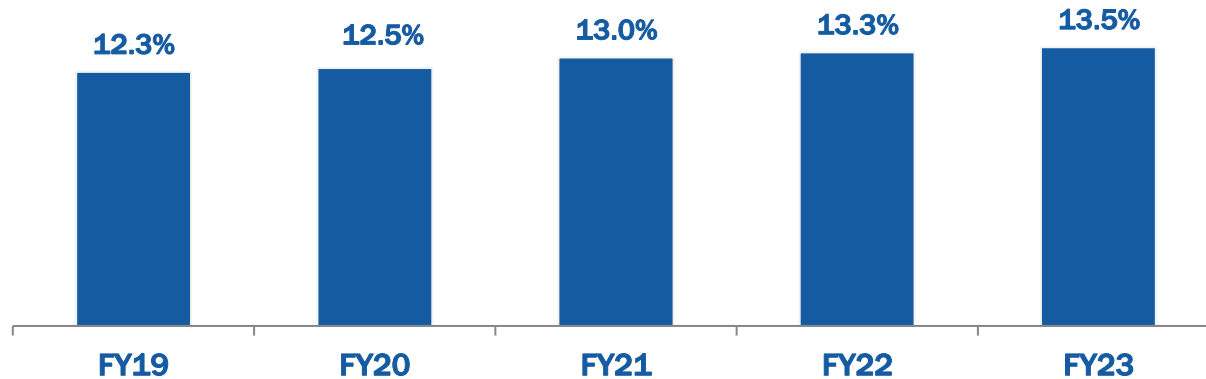
Market Size (Units in millions) - FY23



Penetration % - FY23



Blue Star Market Share (%)



Commercial Refrigeration Products



- Wide range of commercial refrigeration equipment
- Market leader in most of the segments
- Products having latest technology with innovative features:
 - Deep Freezers
 - Bottle Coolers
 - Visi Coolers/Freezers
 - Storage Water Coolers/Dispensers
 - Bottled Water Dispensers
 - Ice Cubers/Flakers
 - Cold Rooms
 - Commercial Kitchen Refrigeration
 - Medical Refrigeration
 - Supermarket Refrigeration



State-of-the-Art Manufacturing Facilities



Himachal Pradesh 2



Himachal Pradesh 1



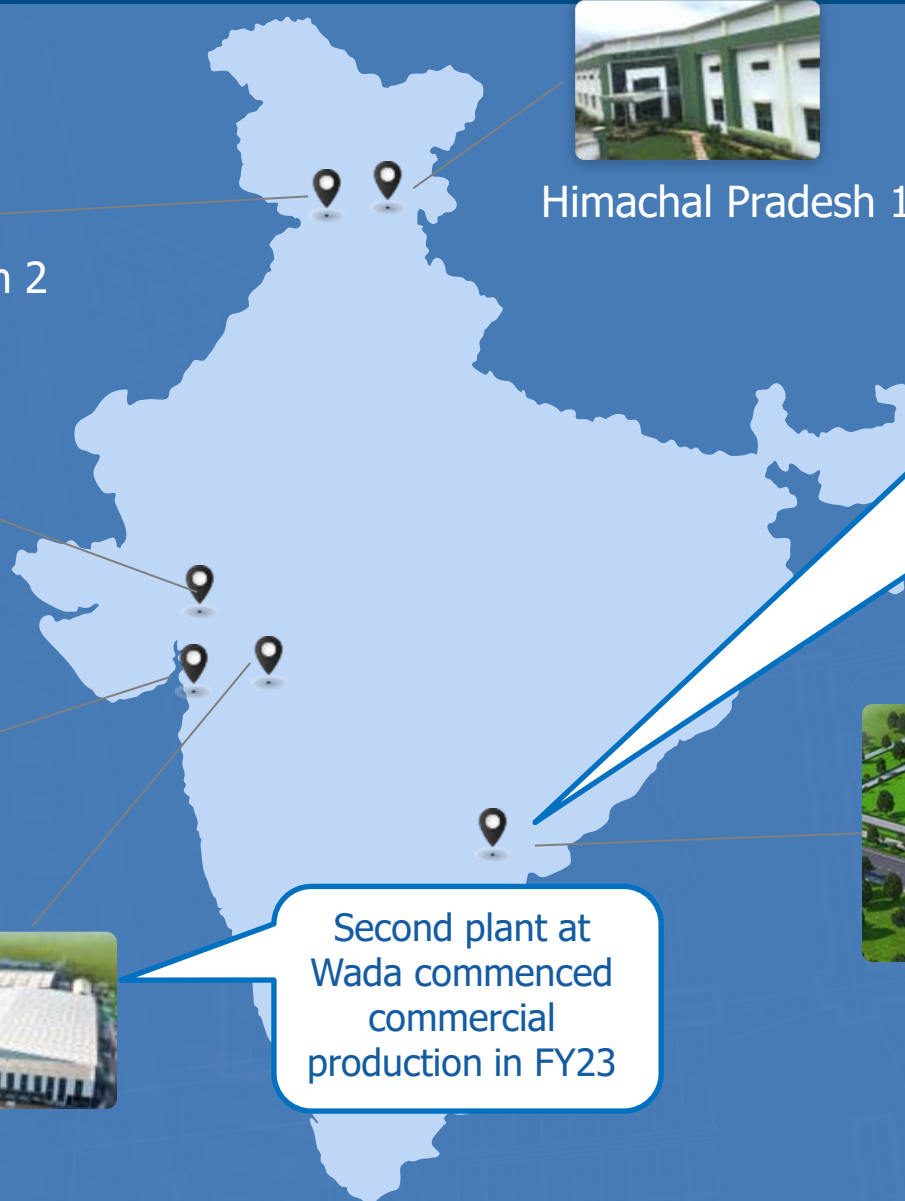
Ahmedabad



Dadra



Wada



New world-class manufacturing facility for Room ACs at Sri City under Blue Star Climatech Limited, a wholly owned subsidiary commenced commercial production in FY23

Second plant at Wada commenced commercial production in FY23

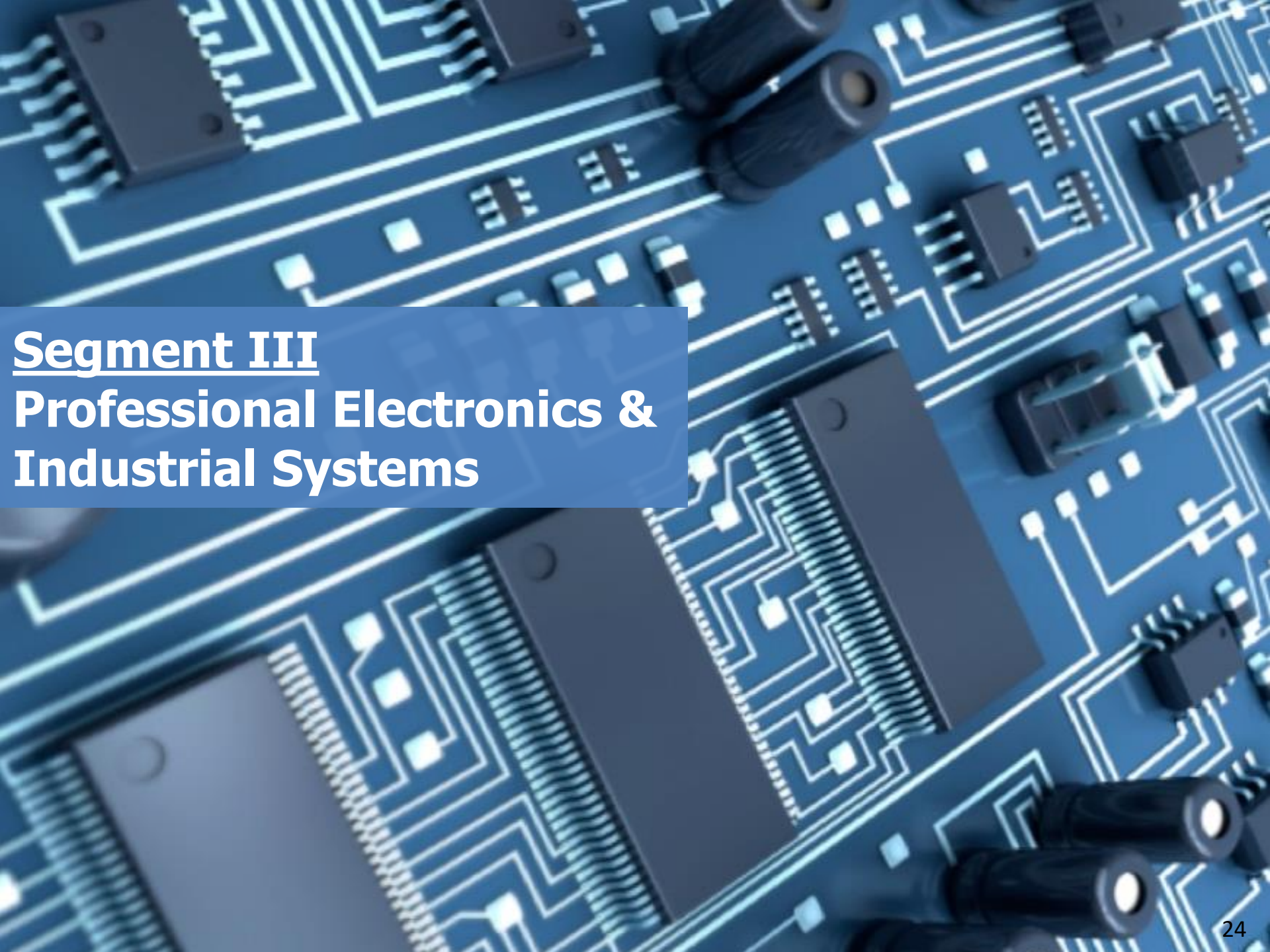


Bird's eye view of the Sri City Plant

- Specialise in manufacturing a variety of highly engineered and custom-built products.
- Manufacturing footprint of 1.3 lakh square meter.
- Over 300 models manufactured across 25 product lines.
- Lean manufacturing and world-class practices.
- Green Building initiative - Wada factory certified 'Green factory' – Gold category from IGBC and Solar plant installed at Dadra.
- Intelligent I-Factory through application of Industry 4.0 for Real-time monitoring of assets to improve overall equipment effectiveness, Utility & Energy.
- Successful implementation of Manufacturing excellence program, Blue star has now embarked upon complete process improvement

- Automation of processes using robots and Cobots
- Using Product Life Cycle Management to improve New product Introduction process
- Improved efficiency of operations through Digital Work Instruction, Augmented reality, Auto guided vehicle, Additive manufacturing, Poka Yoke, e QMS, Automatic storage & retrieval system
- Usage of new edge techniques like Advance Planning & Scheduling, Business process Continuity, Virtual factory 3D simulation modelling, 3D plant layout, Predictive analytics
- Product monitoring & traceability through QR Code, logistic monitoring through specially designed sensors and remote monitoring of products like chillers
- Manufacturing factories are ISO 9001-2015 & ISO 45001:2018 certified by TUV Nord

- Consistent investment in R&D to enhance company's product offerings and technical capabilities
- Focus on energy efficient and sustainable products and technologies
- Cost innovation through Total Cost Management and Design to Value, initiative for highly affordable air conditioners
- High level of product development and testing capabilities with several patents for new breakthrough products
- Enhanced electronics design capability for variable speed products and smart controllers
- NABL (ISO-17025) accredited laboratories for performance testing of products
- NABL (ISO-17025) accredited reliability and safety test facilities
- Launched the Ashok M Advani Innovation Mission to fast-track R&D and innovation programs supported by Innovation Centres in India and under the newly incorporated subsidiary at Japan



Segment III
**Professional Electronics &
Industrial Systems**

Professional Electronics & Industrial Systems

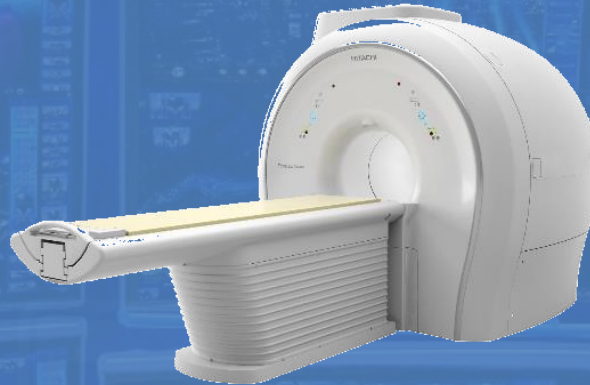


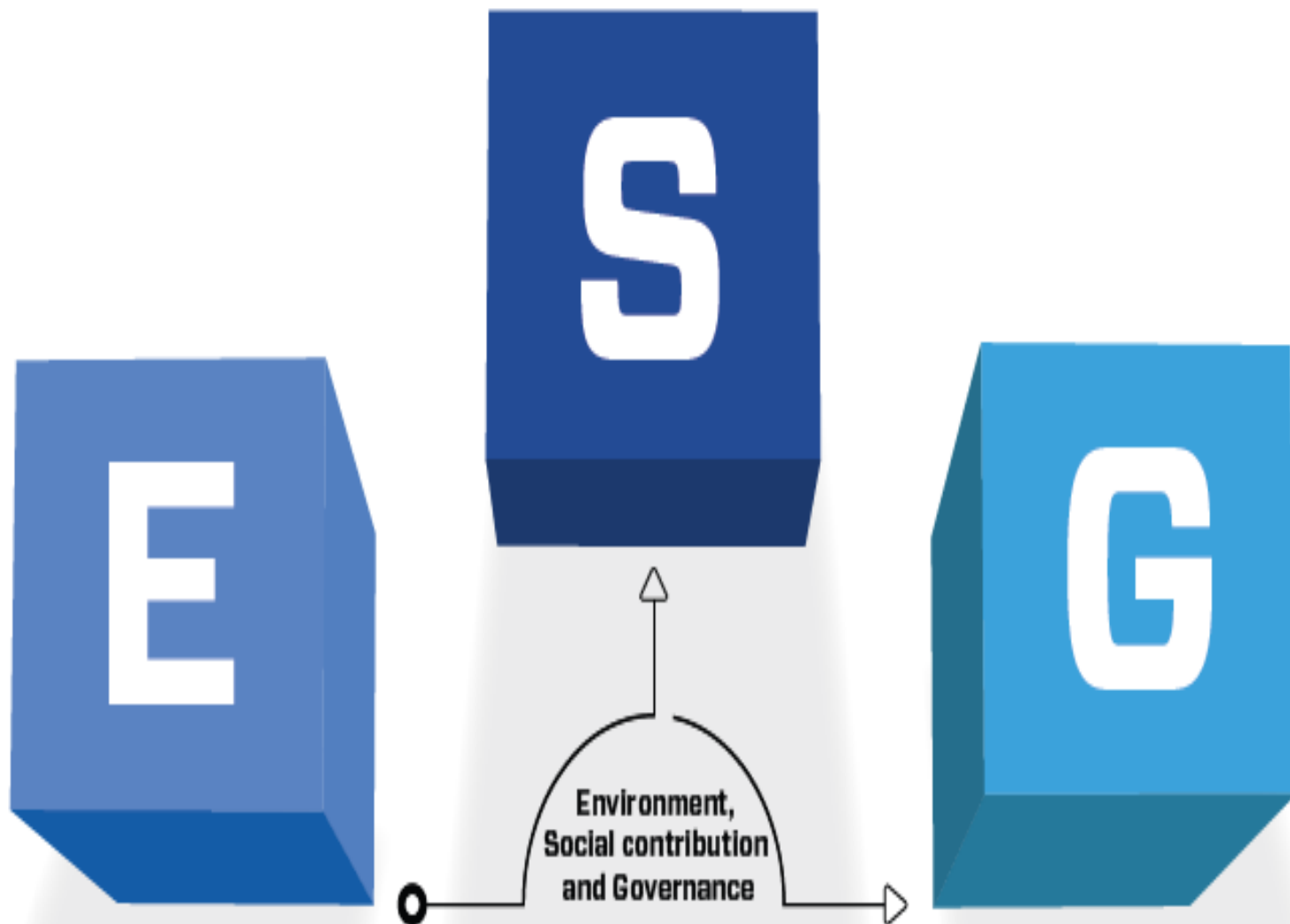
- Managed by the Company's wholly owned subsidiary, Blue Star Engineering & Electronics Ltd
- Bringing world class technology led solutions to customers across a wide range of industries
- Evolved from being only a distributor of leading global manufacturers to a high-end system integrator and value-added reseller
- Recognized as a gateway for advance technologies in India
- Offerings across diverse industry segments including –
 - Advanced Technology Products
 - Turnkey Engineering Solutions
 - Customized Testing Products
 - Value-added services



Professional Electronics & Industrial Systems

- Lines of Business include:
 - MedTech Solutions
 - Data Security Solutions
 - Industrial Solutions
 - Non-Destructive Testing Solutions
 - Material Testing Systems
 - Warehouse Automation
 - Metrology Solutions





ESG Principles Embedded in Blue Star's Business Practices



ENVIRONMENT



- Industry leader in energy-efficiency for Room ACs, Deep Freezers and Screw Chillers with VFDs
- Number 1 in E-Waste compliance in the Room AC industry
- Focused initiatives for reducing energy and water consumption
- Focus on Circular Economy initiatives
- Founding member of the Indian Green Building Council

SOCIAL



- Committed towards having a diverse and inclusive workforce
- Focused initiatives on skill development and sustainable development projects
- Philanthropic initiatives in the areas of education and healthcare
- Leading AC&R training partner for multiple institutes and corporates
- Committed to highest standards of safety practices for employees and business partners

GOVERNANCE



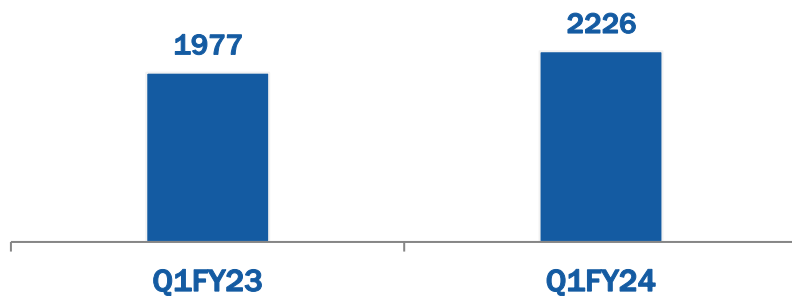
- Well-enumerated Code of Conduct, Whistle Blower Mechanism and a Governance, Risk and Compliance policy
- Integrated Vigil Mechanism Framework; all Governance pillars integrated with each other
- Balanced and diverse Board with an optimum mix of Executive & Non-Executive Directors

The image features a group of business professionals in silhouette, standing in a modern office with large windows overlooking a city skyline at night. The scene is bathed in a blue light, and the silhouettes are reflected on the glossy floor. A semi-transparent blue banner is overlaid on the image, containing the text 'Financial Performance Q1FY24'.

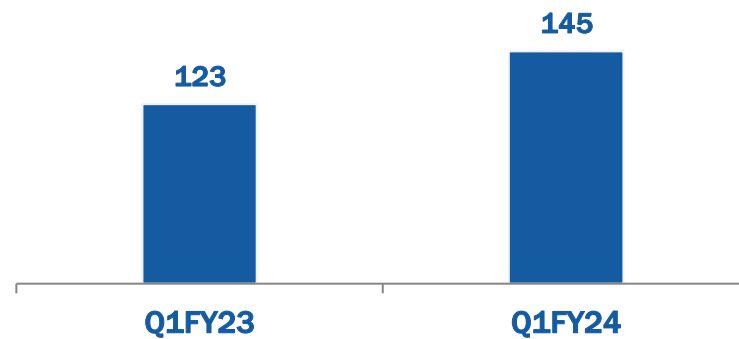
Financial Performance Q1FY24

Financial Performance – Q1FY24

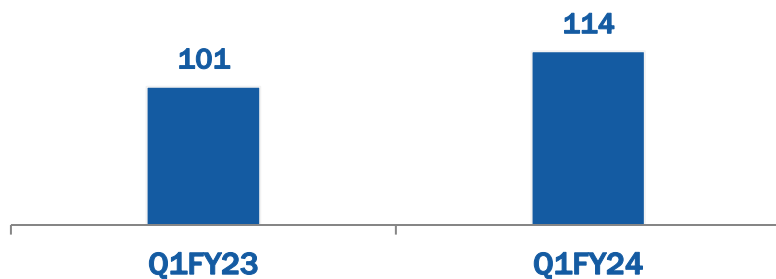
Revenue (Rs Cr)



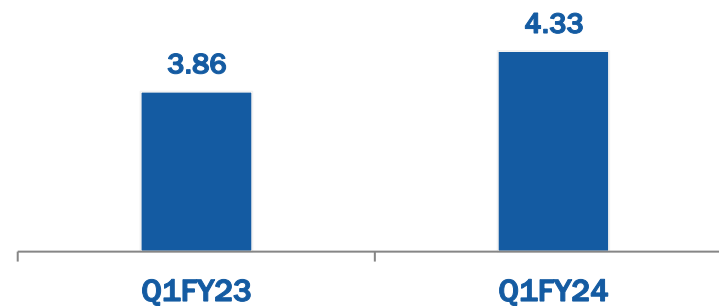
EBITDA (Rs Cr)



Profit before tax (Rs Cr)



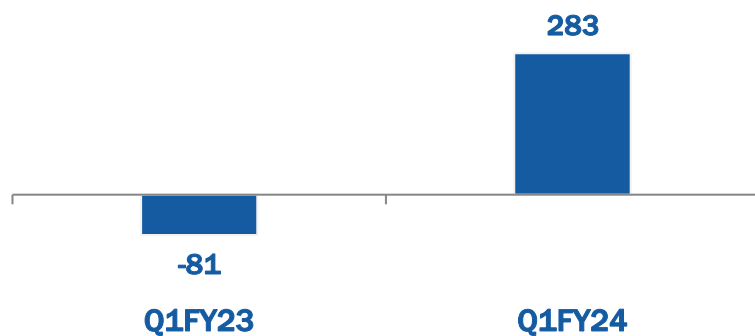
Earnings per share (EPS)* (Rs)



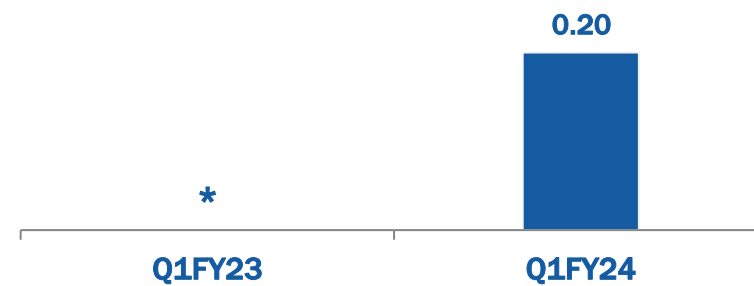
*Not Annualized

Balance Sheet indicators – Q1FY24

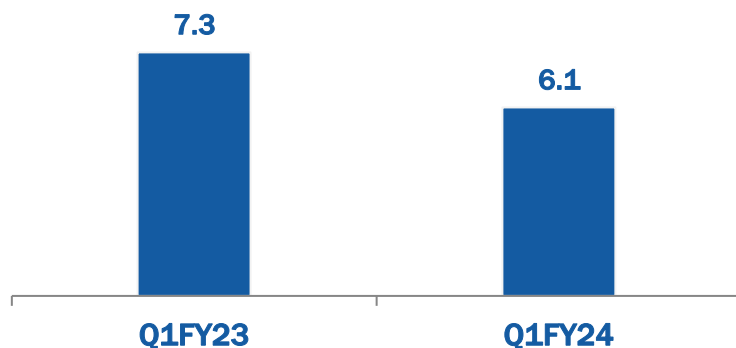
Net Borrowing (Rs Cr)



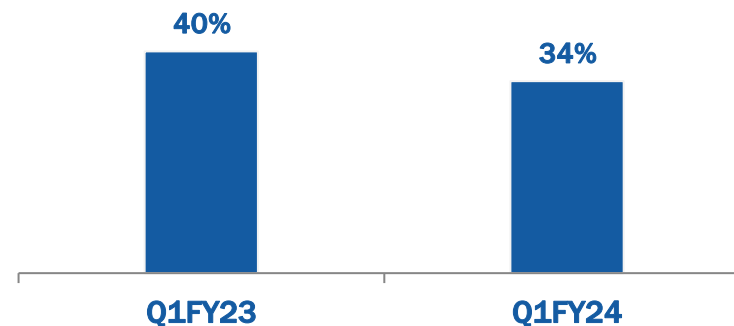
Net Debt / Equity (times)



Capital Turns (times)



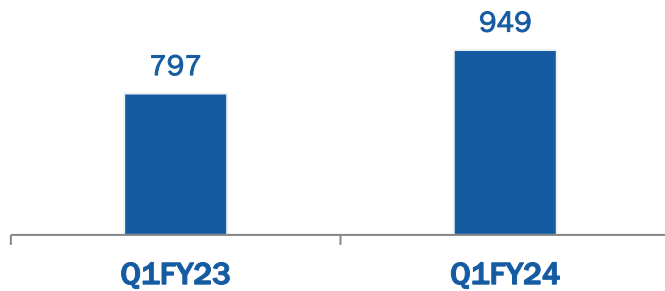
Return on Capital Employed (%)



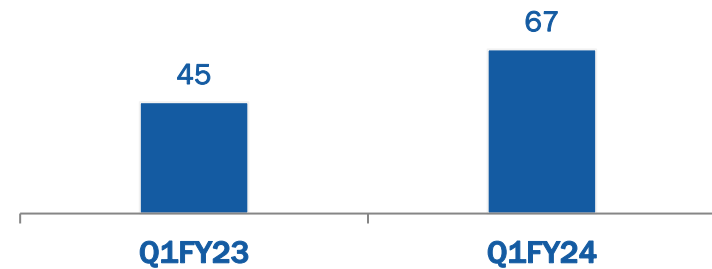
*Net Positive Cash Position

Segment 1: EMP and Commercial Air-Conditioning systems

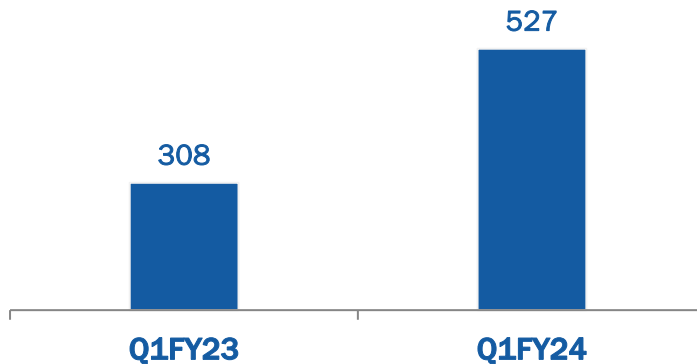
Segment Revenue (Rs Cr)



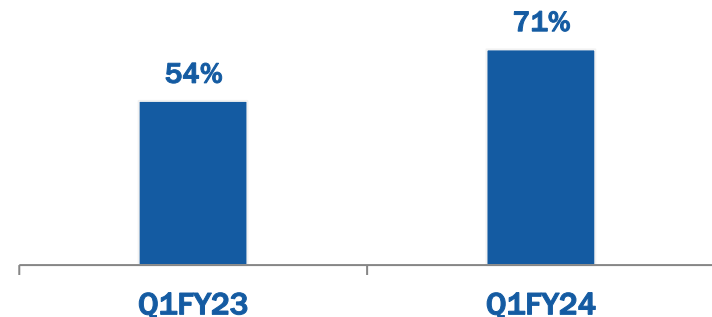
Segment Result (Rs Cr)



Capital Employed (Rs Cr)

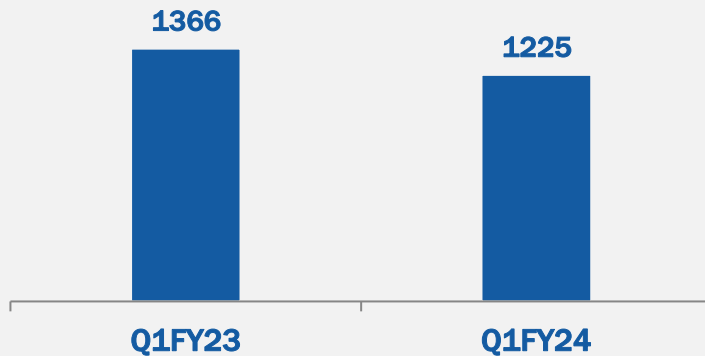


Return on Capital Employed (%)

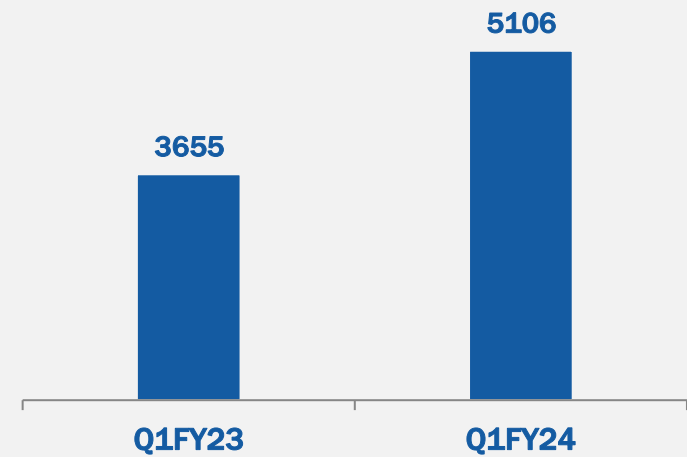


Segment 1: EMP and Commercial Air-Conditioning systems

**Orders Booked
(Rs Cr)**

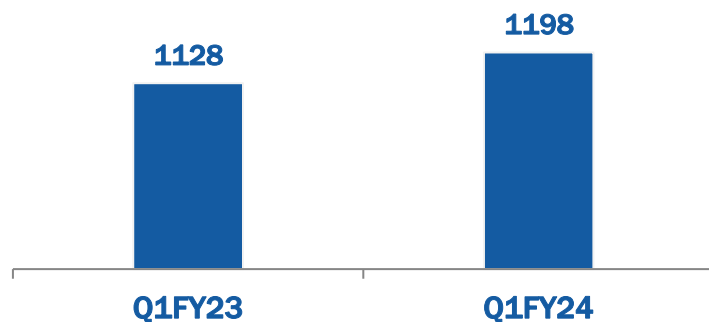


**Carried forward Orders
(Rs Cr)**

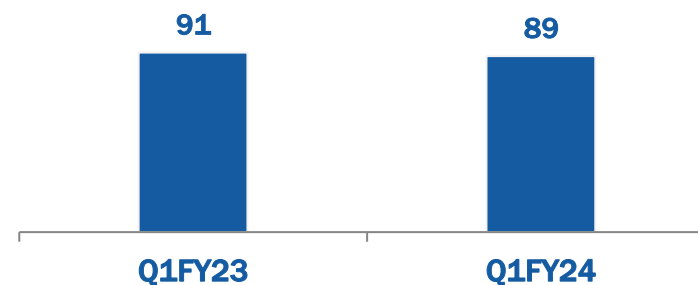


Segment 2: Unitary Products

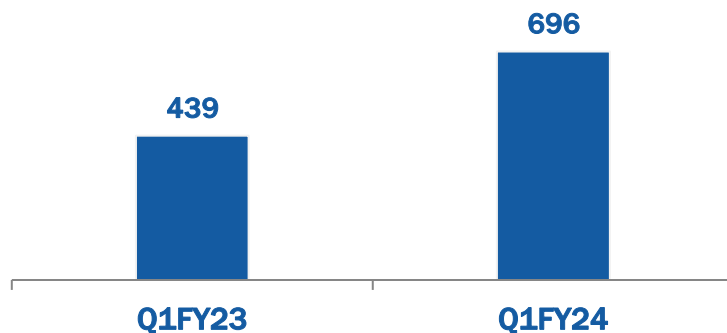
Segment Revenue (Rs Cr)



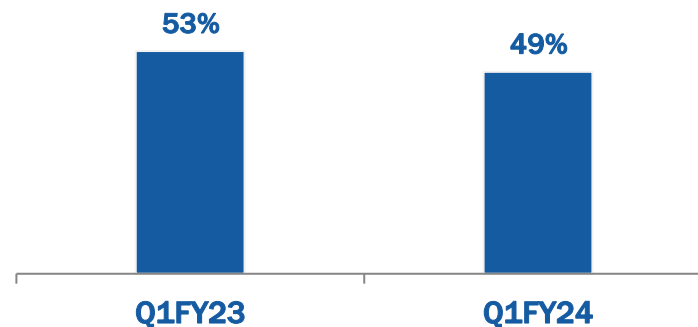
Segment Result (Rs. Cr)



Capital Employed (Rs Cr)

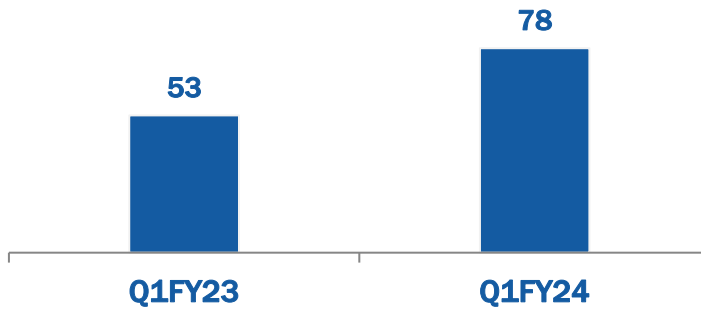


Return on Capital Employed (%)

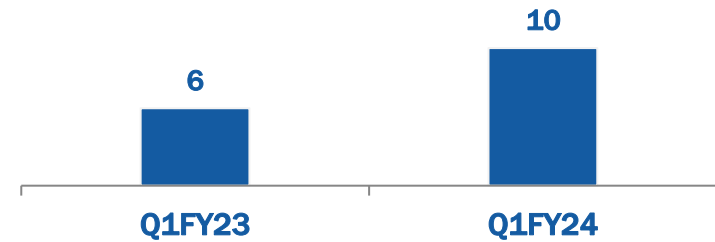


Segment 3: Professional Electronics & Industrial Systems

Segment Revenue (Rs Cr)



Segment Result (Rs. Cr)





Thank you