



BLUE STAR

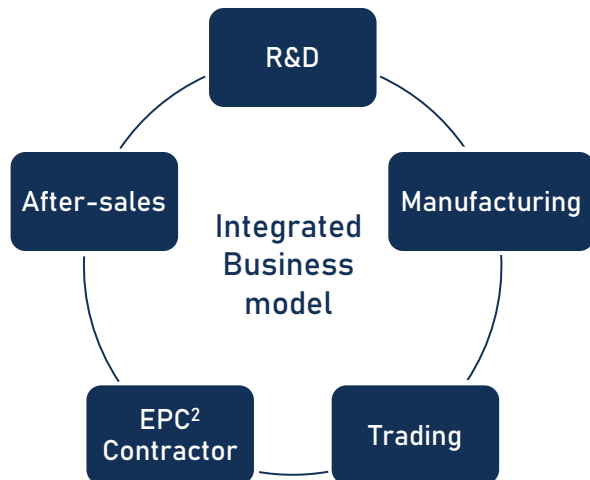
# Investor Presentation – Q3FY24 & 9MFY24

BLUE STAR LIMITED

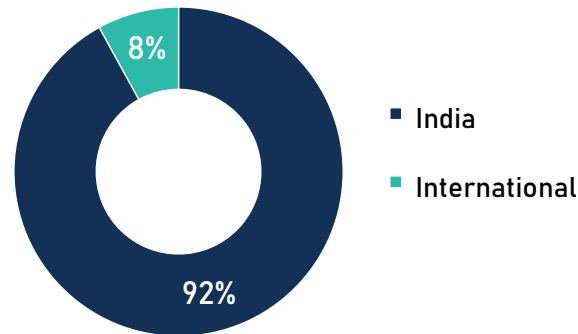
January 31, 2024

# India based air conditioning, commercial refrigeration and MEP contracting company

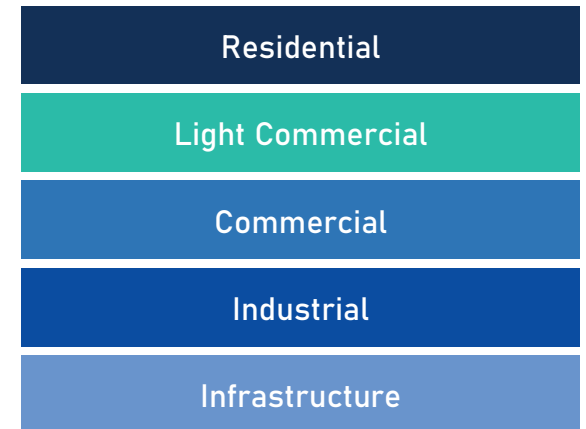
Commenced operations in <b>1943</b> , with c. <b>80</b> years of operations in India	<b>Air conditioning, Refrigeration and MEP solution provider</b>	Maintains c. <b>2 million</b> tonnes of air conditioning and refrigeration equipment <sup>1</sup>	Presence in <b>18+ countries</b> <sup>1</sup>
Plans to strengthen presence in <b>USA, Europe and Japan</b>	<b>7</b> manufacturing facilities in India <sup>1</sup>	<b>4,040</b> Channel Partners <sup>1</sup>	<b>1,251</b> Service Associates <sup>1</sup>



Revenue by geography (FY23)



End-markets



Note:

1. As at March 31, 2023
2. Engineering, Procurement and Construction

# Vision, Credo and The Blue Star Way



## 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.”

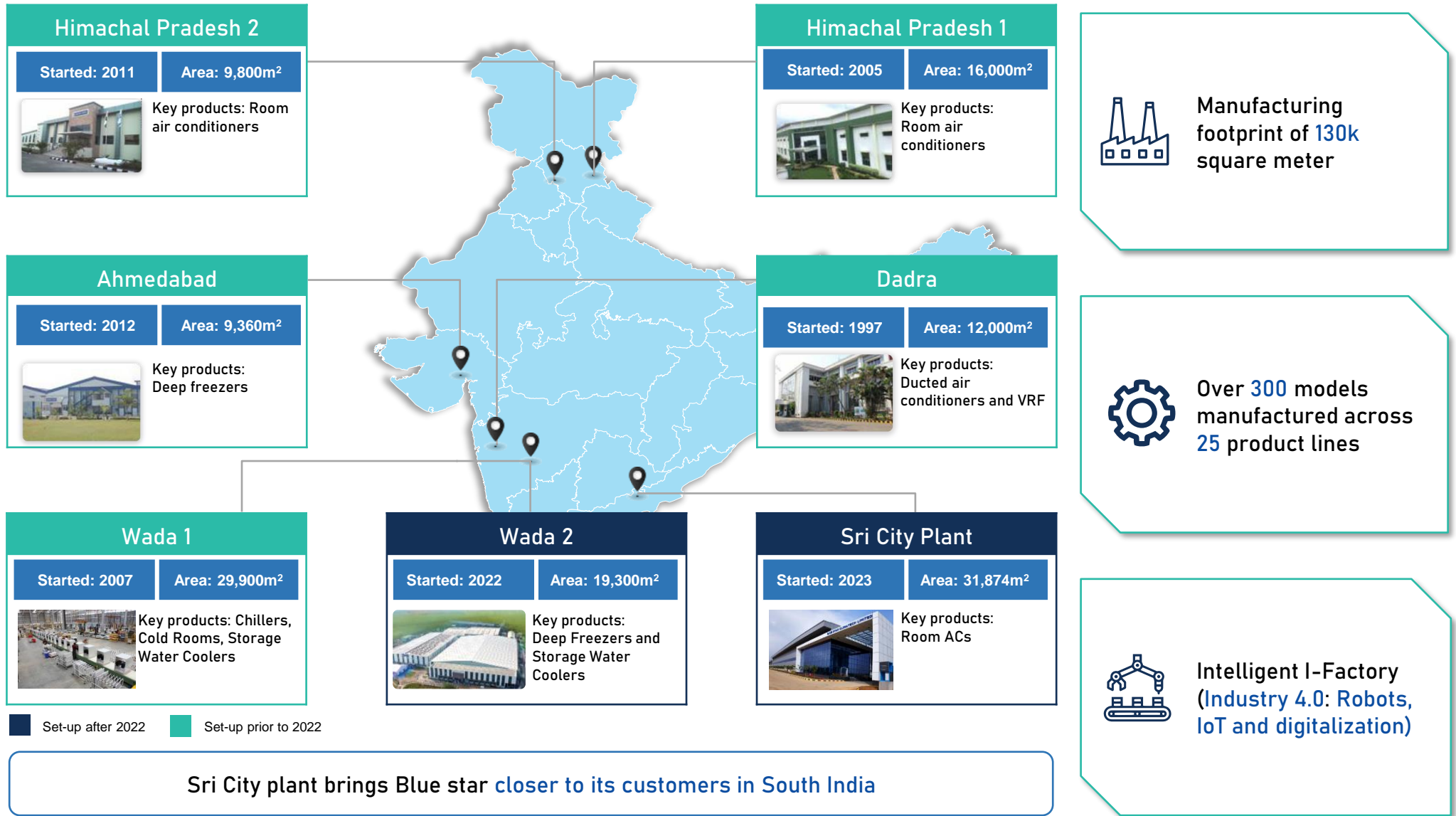
### The Blue Star Way

- ✓ Be a company that is a pleasure to do business with
- ✓ Win out people's hearts and minds
- ✓ Continuously improve shareholder value
- ✓ Give primacy to meritocracy and professional management
- ✓ Place the company's interest above one's own
- ✓ Conduct business with personal integrity and ethics
- ✓ Treat business partners as respected members of our organisation
- ✓ Encourage learning, experimentation and innovation in what we do
- ✓ Ensure high standards of corporate governance
- ✓ Be a good corporate citizen

# Diversified B2B & B2C business with exposure to different end-markets

<p><b>1</b> Electro-Mechanical Projects &amp; Commercial Air Conditioning Systems</p>	<p><b>2</b> Unitary Products</p>	<p><b>3</b> Professional Electronics and Industrial Systems</p>							
<table border="1"> <tr> <td>MEP Projects</td> <td>Central AC Division (CAD)</td> <td>After sales services</td> </tr> </table>	MEP Projects	Central AC Division (CAD)	After sales services	<table border="1"> <tr> <td>Cooling &amp; Purification Appliances Group (CPAG)</td> <td>Commercial Refrigeration Business Group (CRBG)</td> </tr> </table>	Cooling & Purification Appliances Group (CPAG)	Commercial Refrigeration Business Group (CRBG)	<table border="1"> <tr> <td>Med-Tech Solutions</td> <td>Industrial Solutions</td> </tr> </table>	Med-Tech Solutions	Industrial Solutions
MEP Projects	Central AC Division (CAD)	After sales services							
Cooling & Purification Appliances Group (CPAG)	Commercial Refrigeration Business Group (CRBG)								
Med-Tech Solutions	Industrial Solutions								
									
<p>(MEP Projects, Central Air Conditioning Business, After Sales Service, Product Exports)</p>	<p>(Room ACs, Air Coolers, Air Purifiers, Water Purifiers and Commercial Refrigeration Products &amp; Systems)</p>	<p>(Solutions and System Integration in MedTech, Industrial Systems and Data Security)</p>							
<p>Key customers: Commercial Buildings, Retail, Hospitals, Hotels, Education, Industrial Facilities, Data Centres, Metro Rail, Railways, Utilities</p>	<p>Key customers: Residential, Light Commercial - Shops / Showrooms, Ice-cream, Hospitality, QSRs (Quick Service Restaurants)</p>	<p>Key customers: Healthcare, Automotive, Aerospace, Steel, BFSI (Banking, Financial Services and Insurance)</p>							

# Operates 7 plants in India for both domestic & export markets...



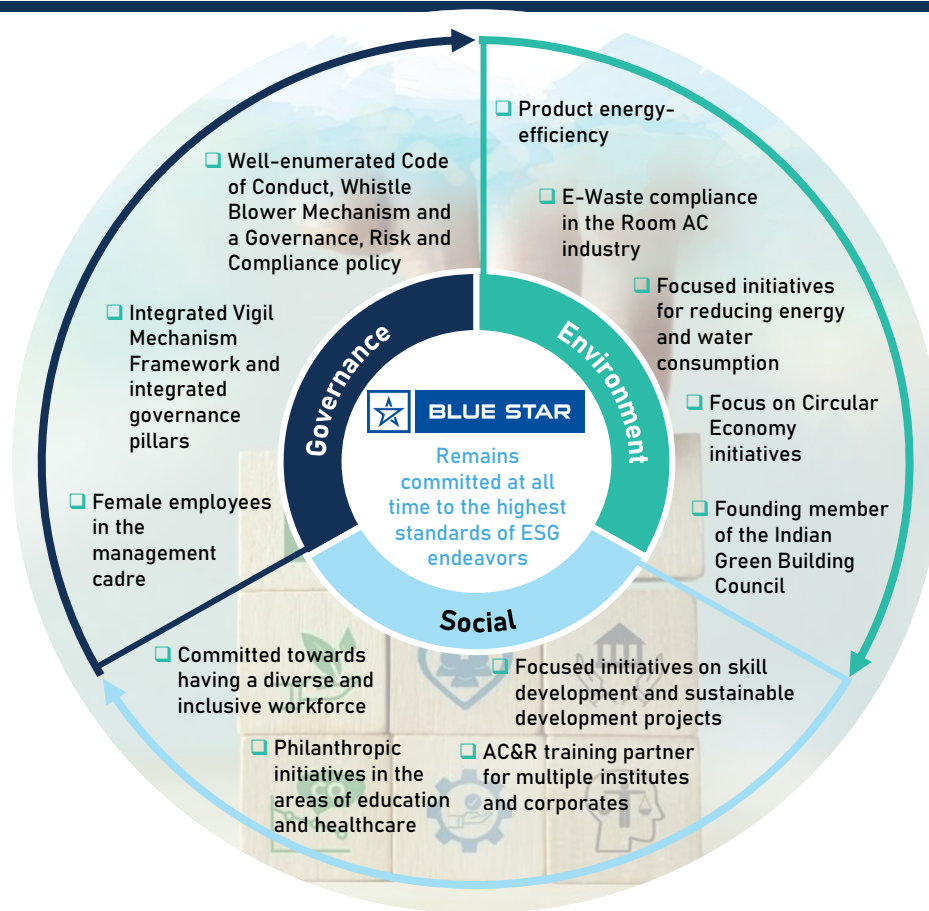
## Operates 7 plants in India for both domestic & export markets...

- ❑ Specialise in manufacturing a variety of highly engineered and custom-built products.
- ❑ Lean manufacturing and world-class practices.
- ❑ Green Building initiatives -
  - ❑ Wada factory certified 'Green factory' – Platinum category from IGBC
  - ❑ Sri City factory certified 'Green factory' – Gold category from IGBC
  - ❑ Solar plants installed at Dadra and Sri City
- ❑ Successful implementation of Manufacturing excellence program; 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

# Research & Development

- ❑ 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

# ESG principles are embedded in Blue Star's business practices



## Net zero road map

Consumption	FY22	FY23
Renewable energy % of total energy	5.7%	6.6%
Energy intensity per rupee of turnover (Gigajoule per million ₹)	1.05	0.95
Water intensity per rupee of turnover (₹)	2.55	1.97

**2022-40**

- ✓ Carbon Footprint Mapping
- ✓ Reduction Targets
- ✓ Energy Efficiency
- ✓ Renewable Energy (1.0 MW)
- ✓ Carbon Footprint
- ✓ Logistics: Inbound / Outbound
- ✓ Employee Commute
- ✓ Disposal of Material Transfer
- ✓ Energy Zero
- ✓ Water Zero
- ✓ Zero Waste to Landfill

### Product & Plant Initiatives

- ✓ **Factories** are built to be 'green' in their design, processes and operations
- ✓ Use of **eco-friendly refrigerants, tree-planting drives** and **reduce the consumption of water and electricity**
- ✓ **Energy-efficient** Room ACs, VRFs, Deep Freezers, and Screw Chillers
- ✓ Wada factory / Thane Innovation Centre are **Platinum rated** by IGBC<sup>1</sup>. Sri City factory applied for **Gold rating**

### Social Initiatives

- ✓ **c. 50%** of factory workers in Sri City plant are **woman**
- ✓ **Children in schools** at Palghar benefits from digital education programme
- ✓ **Farmer families** in Tamil Nadu are supported via Farmer Producer organization
- ✓ **Employs Apprentices** every year under the Central Govt.'s skill development Programme (NETAP)

Note:  
1. Indian Green Building Council (IGBC)



# Strong governance is the key pillar of Blue Star through out its existence

## Chairmen Emeriti



**Ashok M Advani**



**Suneel M Advani**

## Board of Directors



**Shailesh Haribhakti**  
*Independent Chairman*



**Vir S Advani\***  
*Vice Chairman & Managing Director*



**B Thiagarajan\***  
*Managing Director*



**Arvind K Singhal**  
*Independent Director*



**Rajiv R Lulla**  
*Non-Executive Director*



**Sunaina Murthy**  
*Non-Executive Director*



**Dinesh Vaswani**  
*Non-Executive Director*



**Sam Balsara**  
*Independent Director*



**Anil Harish**  
*Independent Director*



**Anita Ramachandran**  
*Independent Director*



**G Murlidhar**  
*Independent Director*



**Vipin Sondhi**  
*Independent Director*

\* Also a key management personnel (KMP)

# Industry recognition for achievements

## Corporate governance and management



Golden Peacock Award  
for Corporate Governance  
2019/2020/2021



Golden Peacock Award  
for Risk Management  
2020/2022/2023



Winner of ICSI Best  
Governed Company  
(Listed: Medium)  
2019



Great Place to Work -  
Certified Organization  
2023

## Industry expertise



MEP Contractor of the  
Year  
2017-2023



Best Water R&D and  
Technological  
Breakthrough-Domestic  
2022



Multiple CII National  
Manufacturing Awards



REFCOLD India Emerson  
Awards for First Runner-  
up under Innovative  
Refrigeration Product  
2022



NEBB Certified



ISO 9001-2015 Certified



IAQA Membership  
Certified



Best Customer Service  
Initiative of the Year  
2022

## Certified R&D capabilities



AHRI Certified for Air  
Cooled Chiller Lab



AHRI Certified for Water  
Cooled Chiller Lab



NABL ISO 17025 Certified  
Lab for Testing



Wada Plant receiving the  
IGBC Platinum  
Certification under 'Green  
Factory Building' category

# Business Segments Overview

# Segment 1: Electro-Mechanical Projects & Commercial Air Conditioning Systems

# Electro-Mechanical Projects Group

- ❑ Design, Engineering, Procurement and Construction (EPC) of Mechanical, Electrical & Plumbing (MEP) systems for commercial buildings, industrial facilities & infrastructure projects
- ❑ 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)
- ❑ Increasing order inflows from emerging segments including Metro Railways, Healthcare facilities, Factories, & Data Centres

Large central AC & ventilation projects

Plumbing projects

Fire-fighting projects

Electrical projects

Water projects

Railway electrification

## Prestigious Projects



Yotta Data Centre - Noida



Wistron Infocomm - Bengaluru



Bangalore Metro Rail Corp.



Freudenberg Plant - Punjab



Jockey Factory - Cuttack




Hines Group

# Central Air Conditioning Systems

- ❑ Complete range of energy efficient QCO compliant packaged and ducted split air conditioning systems
- ❑ Next generation inverter based ducted systems and inverter heat pump air conditioning systems
- ❑ Top discharge VRF systems from 7 HP to 112 HP. Designed for Indian conditions – 100% capacity at 43°C and non-stop cooling 56°C
- ❑ Side discharge VRF systems from 4 HP to 16 HP, VRF lite from 4 HP to 6 HP for residential applications
- ❑ Star labelled air cooled and water cooled scroll chillers from 10 TR to 78 TR
- ❑ Configured series air cooled and water cooled screw chillers from 70 TR to 600 TR range
- ❑ Configured series oil free magnetically levitated centrifugal chillers from 70 TR to 450 TR
- ❑ Configured series water cooled fixed speed and VFD based centrifugal chillers 450 TR to 1000 TR
- ❑ Intellectual Property across product range is all owned by Blue Star
- ❑ 712 Dealers in 224 towns<sup>1</sup>
- ❑ Customer base spread across all segments with contributions from government, healthcare, industrial, hospitality, educational and builders & developers

Note: HP: Horse Power; TR: Ton of Refrigeration; QCO: The Quality Control Order  
 1. As at March 31, 2023


VRF



VRF V Plus System
5th Gen Side Discharge VRFs
VRF Lite

- ❑ High ambient performance
- ❑ A broad range of VRFs for all applications – 4HP to 112HP


Ducted



Ducted splits

- ❑ QCO compliant products
- ❑ Full range of Inverter-based systems

Chiller




Air-Cooled & Water-Cooled Screw chillers and Inverter Scroll chillers
Oil-free chillers


Large Capacity Configured Series- Screw chillers
Centrifugal chillers

- ❑ 3 Star Inverter scroll chillers and 5 Star VFD Screw Chillers
- ❑ Introduce high efficiency oil-free chillers
- ❑ Recently launched centrifugal chillers
- ❑ High-efficiency inverter-based systems


# After-sales Service

-  Maintaining c. 2 million tonnes of air conditioning and refrigeration equipment


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-  Extensively expanded service reach to Tier 2, 3 & 4 towns


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-  Currently handling c. 3,900 towns with > 2 million service calls a year


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-  Focus on same day installation and same day call closure


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-  Operates remote monitoring center at Thane

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-  Winner of Royal Society for Prevention of Accidents “ROSPA-EHS Award” for Engineering Facility Mgt and Revamp services

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-  Accreditations from TAB, NEBB, CMVP, IAQ and NADCA; ISO 9001-2015 and ISO 45001 certified

## Digital infrastructure

Customer care app enables customers and channel partners with ease for logging service requests, which gets tracked and follows auto escalation mode, supporting quick resolution

Field service technician app enable technicians to update & closure of breakdown & PMS tickets through their mobile, all parameters are digitally recorded and stored

Knowledge Management system – Star Vault enables us to centrally store, manage and retrieve business critical documents and SOP's

## Select end-markets

### Air conditioning



PSU / Govt.



Industrial



Hospitals



Automotive



Infrastructure



Banks

### Refrigeration



Dairy



QSRs



Retail



Pharma

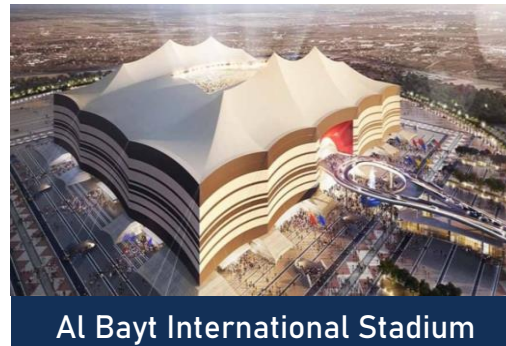


Healthcare

# International Business

- ❑ 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

## Prestigious Projects





# Segment 2: Unitary Products Segment

# Cooling and Purification Appliances

## Room Air conditioners

- ✓ Wide range of premium, affordable premium and affordable split ACs with superior build quality

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- ✓ Installed base of over 2.5 million units

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- ✓ Products available in c. 8,500 outlets in more than 650 locations

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- ✓ Focus on inverter technology, energy efficient products and ACs with purification technology

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- ✓ Launched a range of differentiated models including 'Super Energy-Efficient ACs,' 'Heavy-Duty ACs,' 'Smart ACs,' 'ACs with Hot & Cold Technology

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- ✓ Serves the residential and light commercial markets

## Other categories

### Air Coolers



### Water Purifiers



## Wide range of Air conditioners

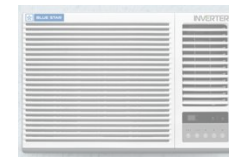
### Inverter Split AC



### Fixed Speed Split AC



### Window ACs



### Portable ACs



### Super energy efficient ACs



### SMART ACs



### Heavy Duty ACs



### Hot & Cold ACs




# Commercial Refrigeration


## Wide range of commercial refrigeration products and solutions

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Wide range of solutions for food preservation – deep freezers, modular cold rooms and super market and commercial kitchen refrigeration

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Wide range of bottled water dispensers, storage water coolers, visi coolers, and medical refrigeration products

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- 

Commissioned a new manufacturing facility in 2022 for a new series of hardtop and glass top deep freezers

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- 

After sales service is a critical requirement and is an integral part of the business

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Serves customers across segments including Ice-creams, dairy, hospitality, retail, food & beverage, restaurants, QSR chains, pharma, healthcare, horticulture, meat processing, marine, etc

Deep Freezers



Bottle Coolers



Cold Rooms



Visi Coolers/  
Freezers



Bottled Water  
Dispensers



Commercial Kitchen  
Refrigeration



Storage  
Water Coolers



Ice Cubers/  
Flakers



Medical Refrigeration



# Segment 3: Professional Electronics & Industrial Systems

# Professional Electronics & Industrial Systems

✓ Managed by wholly owned subsidiary, Blue Star Engineering & Electronics (Blue Star E&E)

✓ Provider of advanced technology products as well as system integrated solutions

✓ Has set up its new medical diagnostic equipment refurbishment facility at Bhiwandi

Advanced Technology Products

Customized Testing Products

Turnkey Engineering Solutions

Value-added services

## Lines of Business

Operates in three broad segments: MedTech Solutions, Data Security Solutions and Industrial Solutions

MedTech Solutions



Data Security Solutions



Industrial Solutions



✓ Non-Destructive Testing Solutions

✓ Material Testing Systems

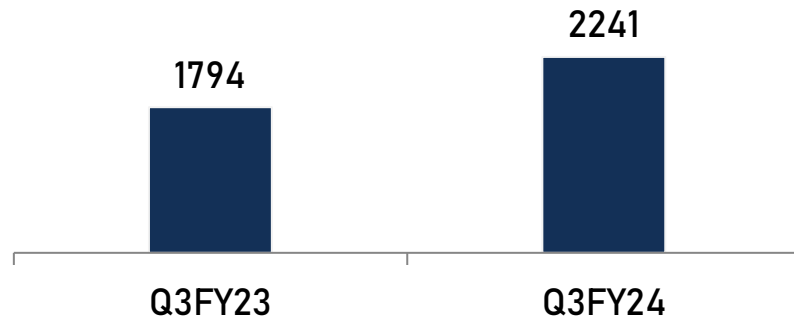
✓ Warehouse Automation

✓ Metrology Solutions

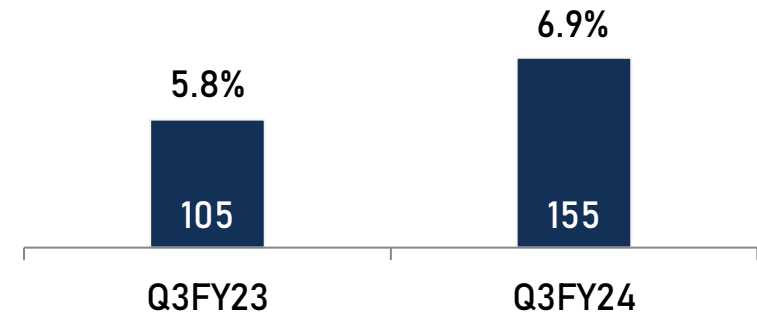
# Financial Performance – Q3FY24

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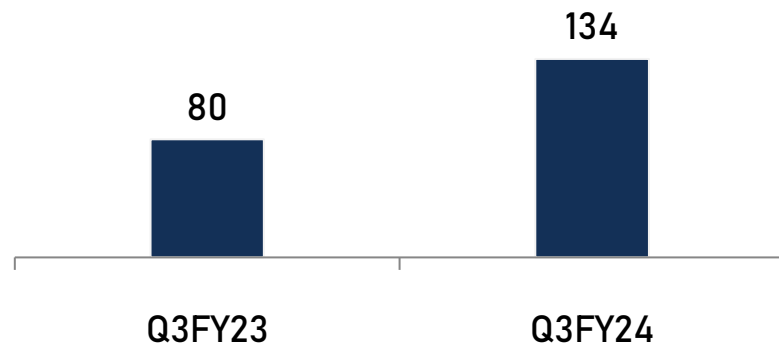
Revenue (Rs Cr)



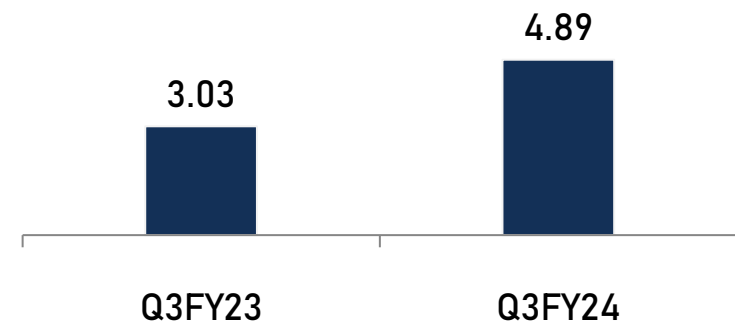
EBITDA (Rs Cr)



Profit before tax (Rs Cr)



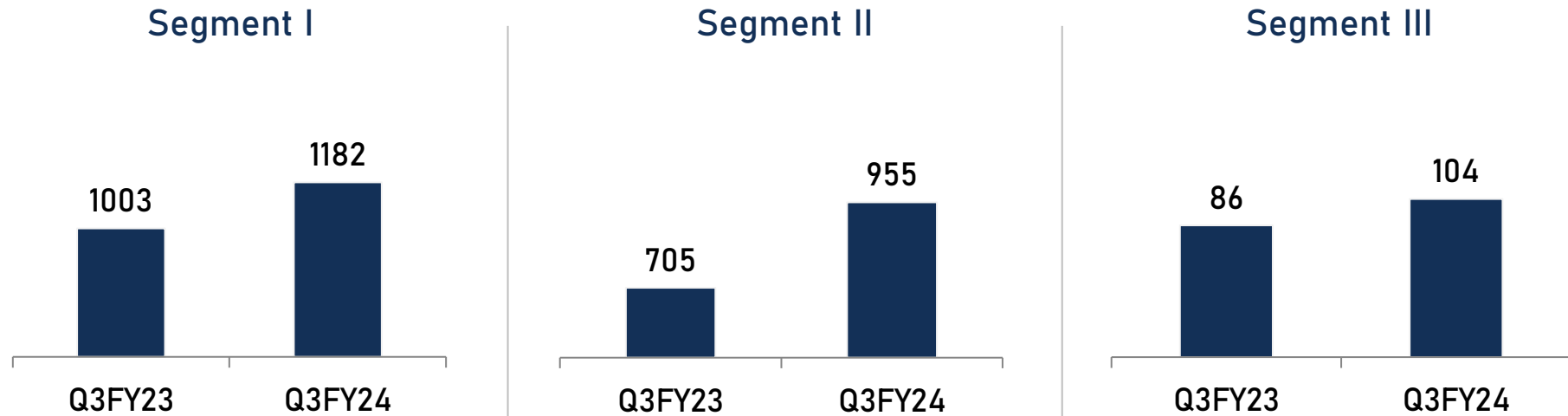
Earnings per share (EPS)\* (Rs )



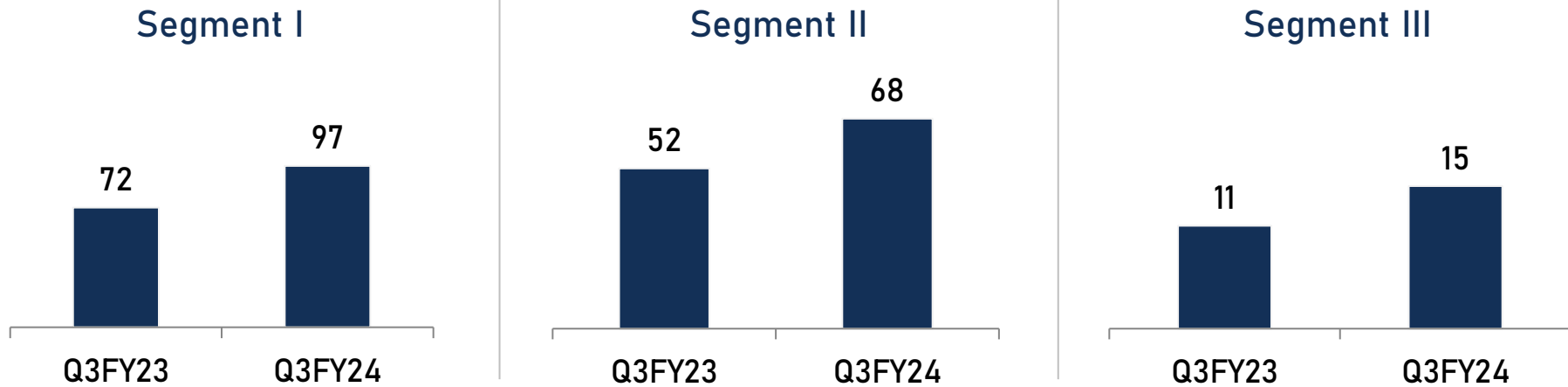
\*Not Annualized

# Segment performance – Q3FY24

## Segment Revenue (Rs Cr)



## Segment Result (Rs Cr)

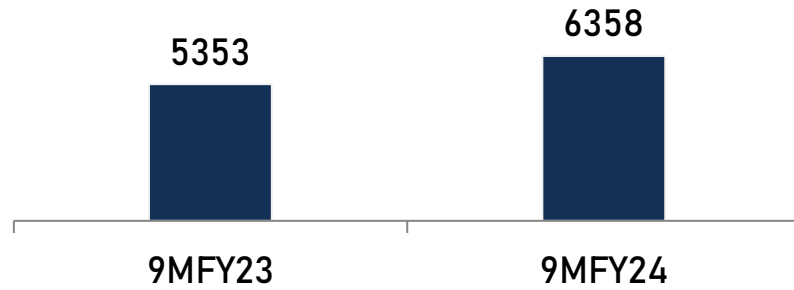




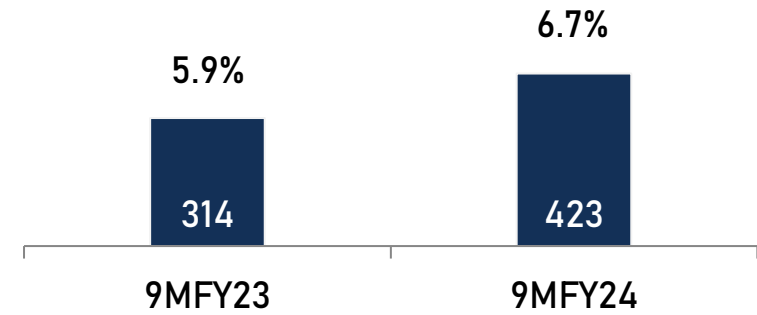
# Financial Performance – 9MFY24

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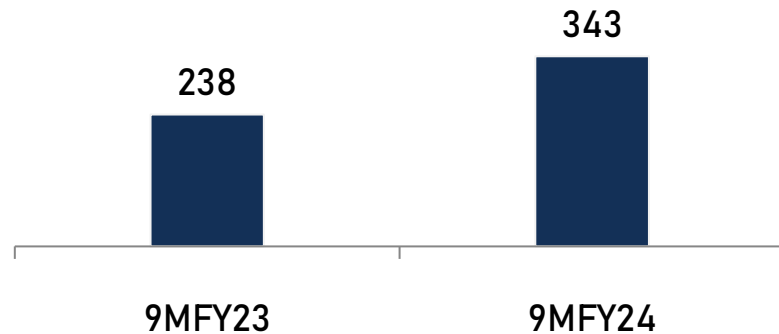
Revenue (Rs Cr)



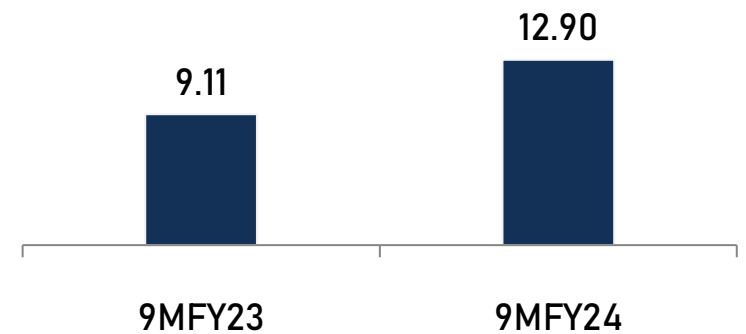
EBITDA (Rs Cr)



Profit before tax (Rs Cr)



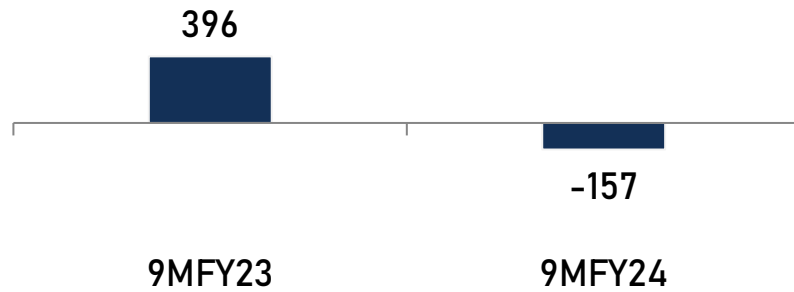
Earnings per share (EPS)\* (Rs )



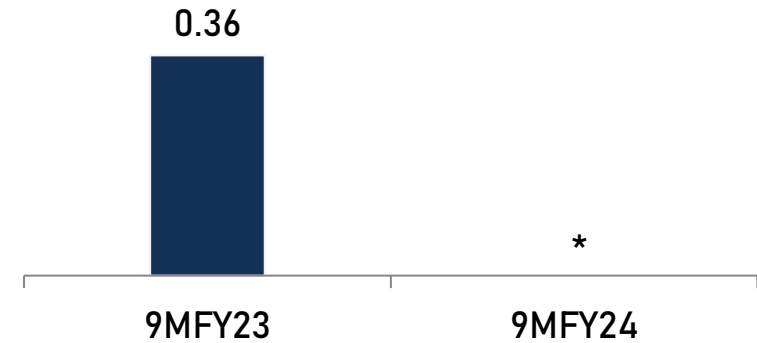
\*Not Annualized

# Balance Sheet Indicators – 9MFY24

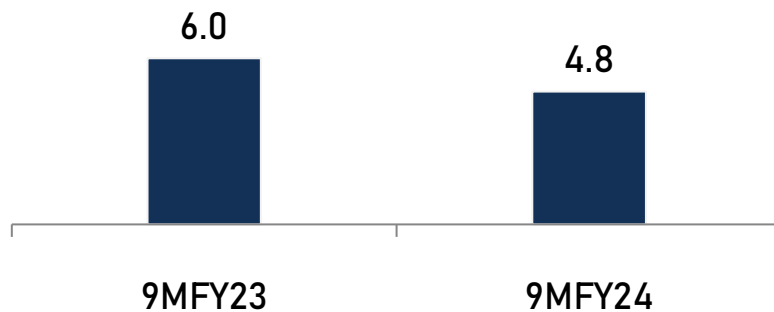
Net Borrowing (Rs Cr)



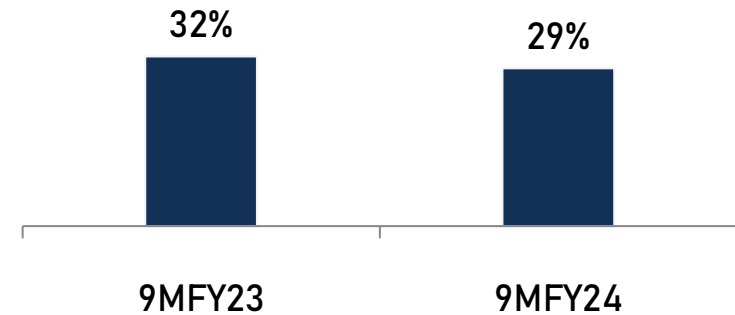
Net Debt/Equity (times)



Capital Turns (times)



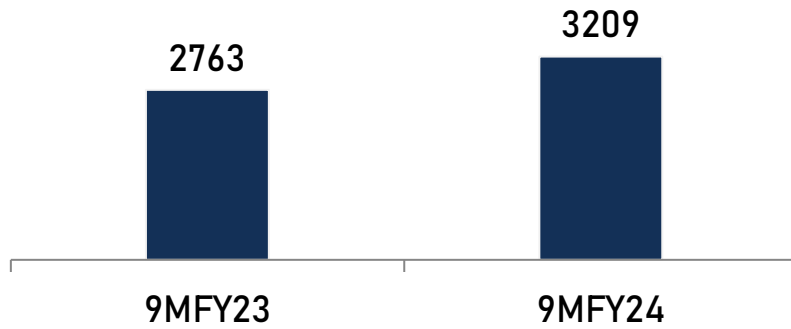
Return on Capital Employed (%)



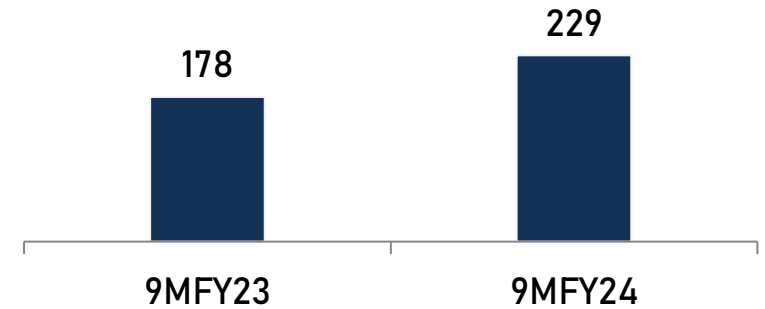
\*Net Positive Cash Position

# Segment 1 : EMP and Commercial Air-Conditioning Systems

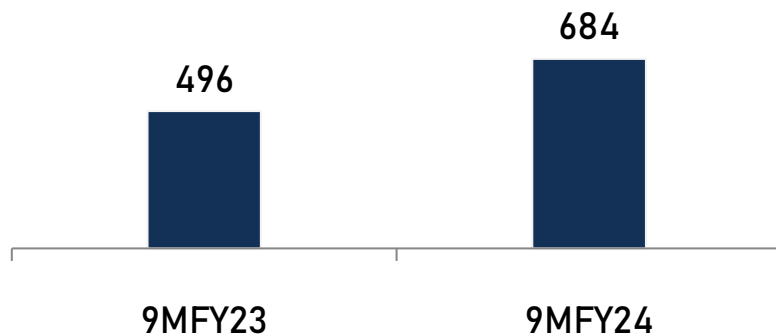
Segment Revenue (Rs Cr)



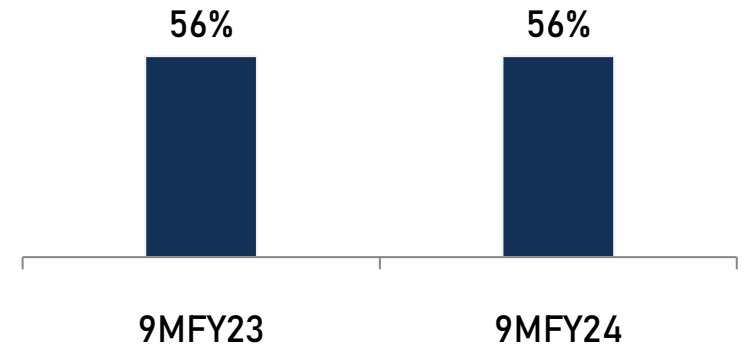
Segment Result (Rs cr)



Capital Employed (Rs cr)

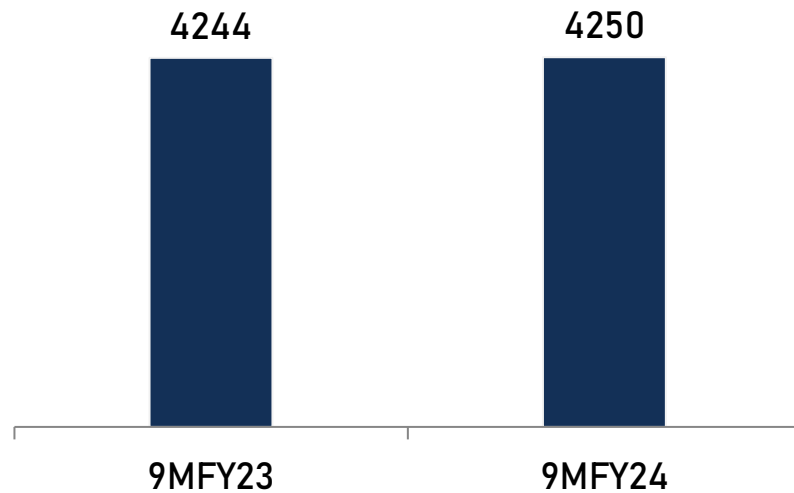


Return on Capital Employed (%)

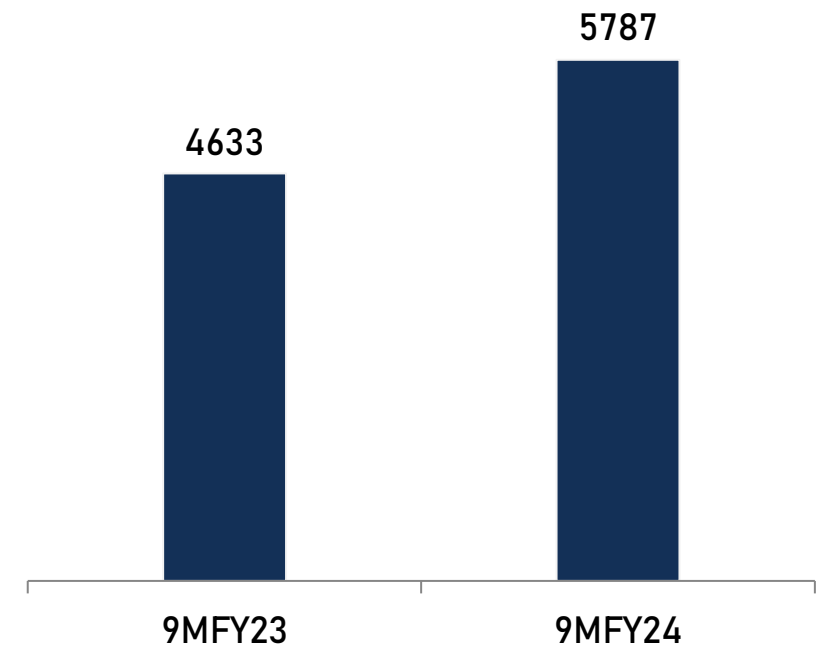


# Segment 1 : EMP and Commercial Air-Conditioning Systems

Orders Booked (Rs Cr)

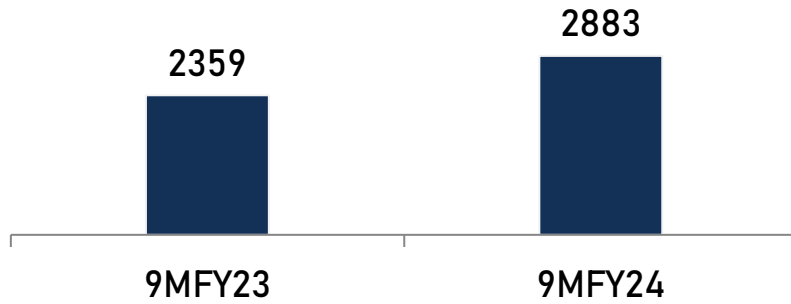


Carried Forward Orders (Rs cr)

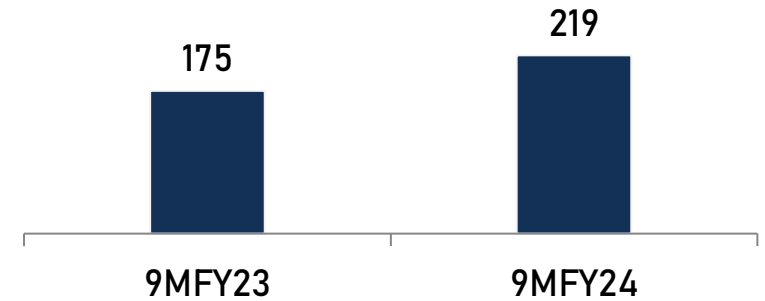


## Segment 2 : Unitary Products

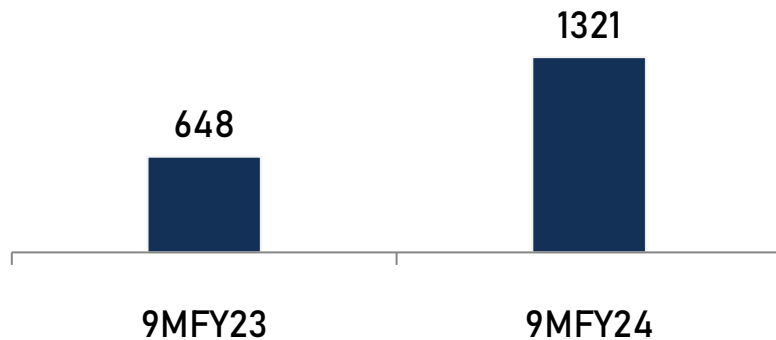
Segment Revenue (Rs Cr)



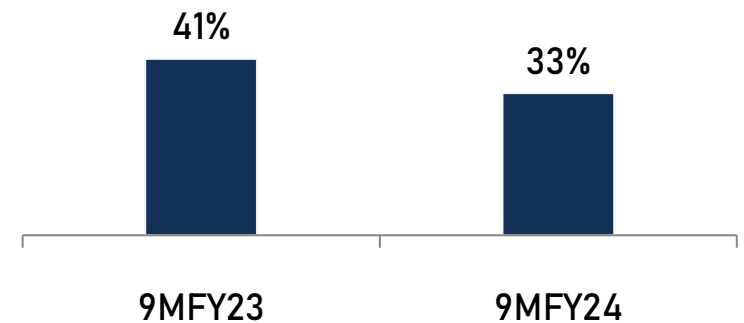
Segment Result (Rs cr)



Capital Employed (Rs cr)

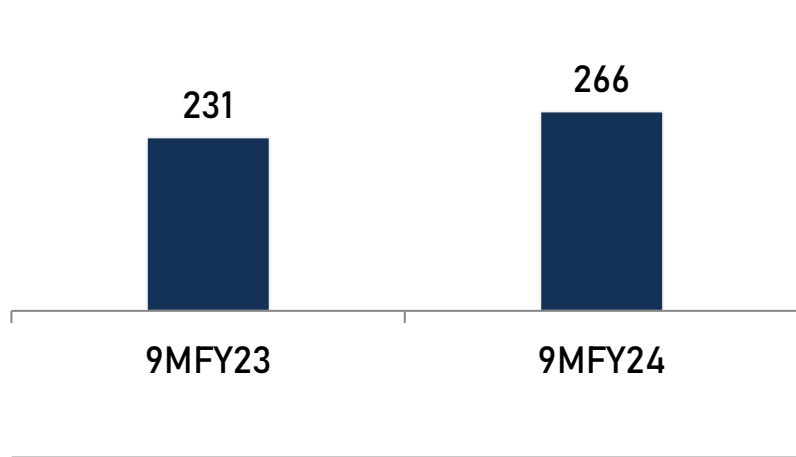


Return on Capital Employed (%)

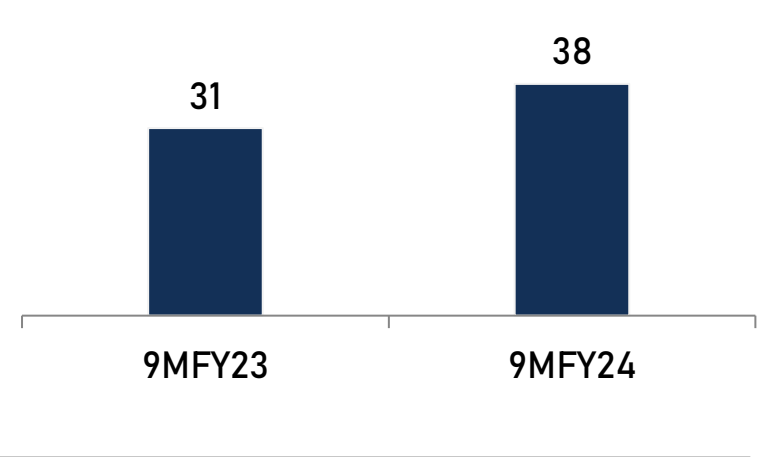


# Segment 3 : Professional Electronics & Industrial Systems

Segment Revenue (Rs Cr)



Segment Result (Rs cr)



Thank You