

**Q2 Total Income
up 32%**

**Q2 Net Profit
up 59%**

BLUE STAR LIMITED

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



UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2006

(Rs. in lakhs)

Quarter Ended		Particulars	Half Year Ended		Year Ended
30-09-2006	30-09-2005		30-09-2006	30-09-2005	31-03-2006 (Audited)
36948	27731	Sales, Work bills & Services (See note 2)	67798	50511	115595
643	541	Commission	1026	764	1861
81	200	Other Income	129	209	406
37672	28472	Total Income	68953	51484	117862
34309	26313	Total Expenditure	63957	48153	108788
394	(927)	(Increase)/Decrease in Stock in trade	(2150)	(2867)	(4718)
28409	22949	Consumption of Raw Materials	55608	42707	95505
3296	2417	Staff Cost	5532	4135	8827
2210	1874	Other Expenditure	4967	4178	9174
241	111	Interest	443	205	572
458	391	Depreciation	887	740	1593
2664	1657	Profit Before Tax	3666	2386	6909
725	455	Provision for Taxation	950	650	1642
10	(2)	Deferred Tax (Asset)/Liability for the year	23	(12)	77
89	45	Fringe Benefit tax	124	85	300
1840	1159	Net Profit	2569	1663	4890
1799	1799	Paid-up Equity Share Capital of Rs.2 each (See note 5)	1799	1799	1799
		Reserves			15472
2.05	1.29	Earnings Per Share Rs. (Not annualised) (See note 5)	2.86	1.85	5.44
53889850	53907350	Aggregate of public shareholding	53889850	53907350	53907350
59.92	59.94	- Number of shares (See note 5)	59.92	59.94	59.94
		- Percentage of shareholding			

NOTES:

- The above results for the quarter ended September 30, 2006 which have been subjected to a "Limited Review" by the Auditors of the Company, were reviewed and recommended by the Audit Committee of the Board and subsequently approved by the Board of Directors at its meeting held on October 30, 2006 in terms of Clause 41 of the Listing Agreement.
- Sales/Income from operations have been split into Sales, Work bills, Services and Commission for ease of understanding. Previous years figures have been regrouped accordingly.
- In accordance with the Accounting Standard AS -15 (Revised 2005) on employee benefits issued by the ICAI, effective from April 1, 2006, the Company has re-assessed its liability towards employee benefits covered by the aforesaid Accounting Standard. The additional charge for the half year ending September 30, 2006 is Rs.162 lakhs which has been debited to Staff Cost. The impact of revised AS15 liability relating to the previous years is not material.

Date : October 30, 2006
Place : Mumbai

www.bluestarindia.com

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER ENDED SEPTEMBER 30, 2006

(Rs. in lakhs)

Quarter Ended		Description	Half Year Ended		Year Ended
30-09-2006	30-09-2005		30-09-2006	30-09-2005	31-03-2006 (Audited)
		I. SEGMENT REVENUE			
27471	20853	i. Central Air-conditioning Systems	46108	34512	82130
6970	5831	ii. Cooling Products	18146	13565	27120
3150	1588	iii. Professional Electronics and Industrial Equipment	4570	3198	8036
-	-	iv. Residual	-	-	170
37591	28272	TOTAL SEGMENT REVENUE	68824	51275	117456
-	-	Less: Inter Segment Revenue	-	-	-
37591	28272	SALES, WORK BILLS, SERVICES & COMMISSION	68824	51275	117456
		II. SEGMENT RESULT PROFIT/(LOSS) BEFORE INTEREST & TAX			
2790	1964	i. Central Air-conditioning Systems	4297	2995	8003
304	208	ii. Cooling Products	1085	745	1317
818	304	iii. Professional Electronics and Industrial Equipment	955	450	1527
-	(7)	iv. Residual	-	(9)	(80)
3912	2469	TOTAL SEGMENT RESULT	6337	4181	10767
		Less:			
241	111	i. Interest	443	205	572
1007	701	ii. Other un-allocable Expenditure net of un-allocable Income	2228	1590	3286
2664	1657	TOTAL PROFIT BEFORE TAX	3666	2386	6909
		III. CAPITAL EMPLOYED: (Segment Assets - Segment Liabilities)			
16193	11754	i. Central Air-conditioning Systems	16193	11754	13110
9483	8319	ii. Cooling Products	9483	8319	8686
2523	1834	iii. Professional Electronics and Industrial Equipment	2523	1834	2045
-	263	iv. Residual	-	263	-
28199	22170	TOTAL CAPITAL EMPLOYED IN SEGMENTS	28199	22170	23841
2371	2266	Add: Un-allocable Corporate Assets less Liabilities	2371	2266	1016
30570	24436	TOTAL CAPITAL EMPLOYED IN THE COMPANY	30570	24436	24857

- Staff cost includes performance incentive of Rs.382 Lakhs (previous year Rs.Nil) and one time labour settlement to the workers of Rs.49 Lakhs (previous year Rs.142 Lakhs by way of an interim settlement).
- The shares of the Company have since been subdivided into equity shares of Rs.2 each pursuant to the approval of the Board of Directors and the shareholders' at the Annual General Meeting held on August 4, 2006. The EPS for the entire period has been calculated on post split basis. Accordingly, the number of equity shares held by the public for the period ending September 30, 2006 have been stated at 53889850. (Previous year's figures have been accordingly revised to read as 53907350 for comparison purposes).
- During the quarter ended September 30, 2006, the Company received and disposed of 40 investor complaints. No complaints were pending as at the beginning and at the end of the quarter.

For BLUE STAR LIMITED

Sd/-

ASHOK M ADVANI
Chairman & Managing Director