



BLUE STAR

# Blue Star Limited

Investor Presentation – Q2FY22 & H1FY22

October 29, 2021



- India's leading air-conditioning, commercial refrigeration and MEP contracting company
- Total Revenue from Operations: ~ Rs. 4264 crores
- Employee Strength: 2650
- 5 manufacturing facilities; 32 offices; ~3800 channel partners
- Presence in 18 international markets in the Middle East, Africa, SAARC and ASEAN regions
- Comprehensive solutions for corporate, commercial, residential customers
- Winner of the prestigious Golden Peacock Award for Excellence in Corporate Governance, for two years in a row (2019 & 2020)
- Winner of the prestigious Golden Peacock Award for Corporate Ethics, 2019 and Risk Management, 2020
- Winner of ICSI Best Governed Company (Listed Company : Medium Category) – 2019 award.

# Blue Star – Vision & Credo



## **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*



Rumjhum Chatterjee  
*Independent Director*



Anil Harish  
*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 showing the silhouettes of several business professionals standing in a modern office. They are positioned in front of a large window that offers a view of a city skyline at night. The office floor is highly reflective, mirroring the silhouettes of the people. The overall atmosphere is professional and contemporary.

# Business Segments





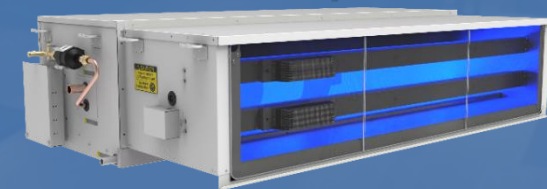
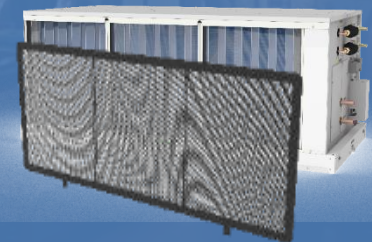
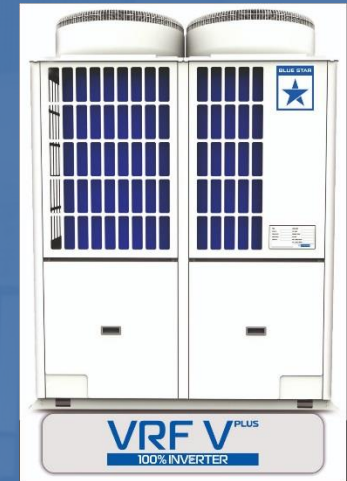
**Segment I**  
**Electro-Mechanical Projects and  
Commercial Air Conditioning Systems**

# Electro-Mechanical Projects

- Design, engineering, procurement and execution of MEP projects in buildings (including Airports), factories (including Data centres) and infrastructure (Metro rail) 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' in 2020



- Complete range of energy-efficient Packaged and Ducted split air conditioners
- Innovative New range of Packaged & Ducted Split air conditioners with Virus Deactivation Technology(VDT)
- Innovative new generation Inverter ducted system
- VRF V Plus, the fifth generation VRF designed for Indian conditions and higher efficiency
- Highly Energy Efficient Water Cooled VRF
- Highly Channelized Business – 525 dealers in 175 towns





# Commercial Air Conditioning Systems

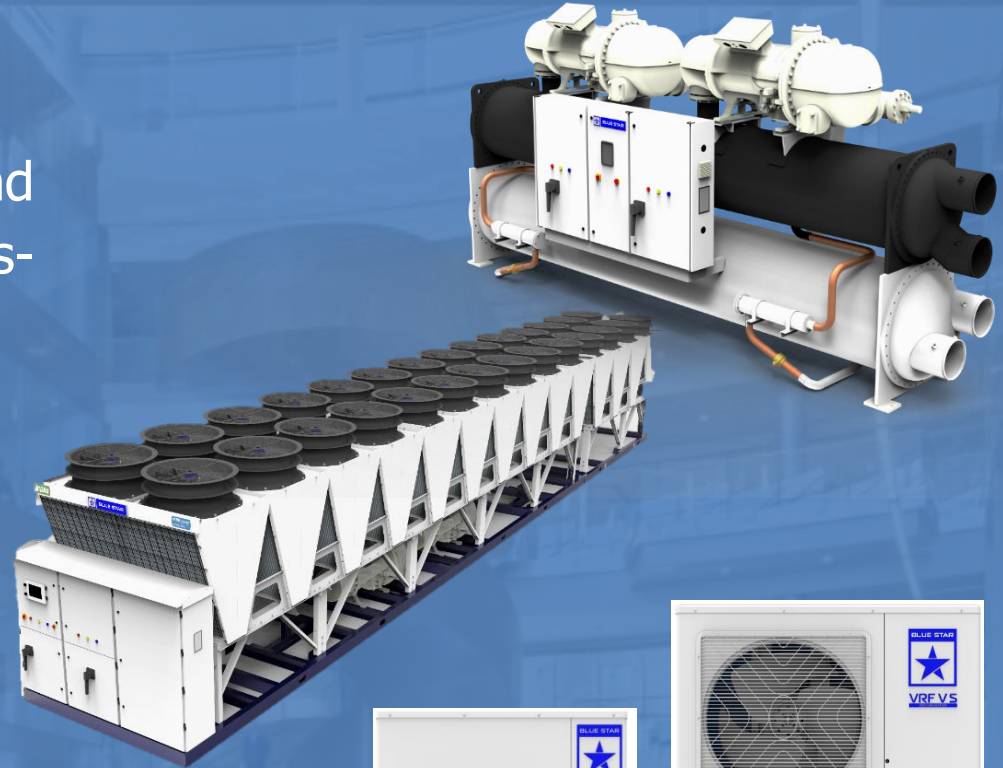


- Highly efficient 5 Star rated Configured Oil Free chillers
- Mix and Match Configured Series- Air-Cooled and Water-Cooled Screw chillers
- Energy-efficient 5 Star VFD Screw Chillers
- Energy-efficient 3 Star Inverter scroll chillers
- Process chillers for industrial and non-comfort cooling applications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

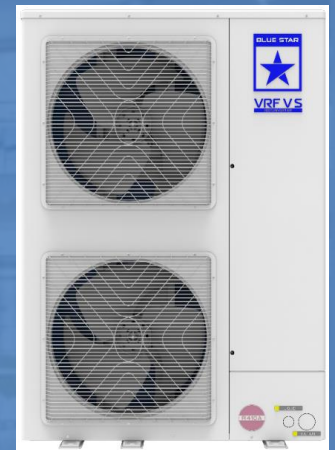
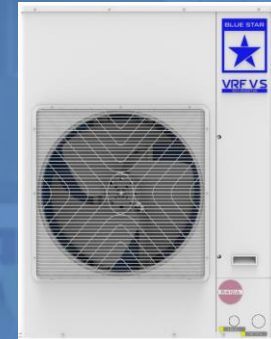


# Commercial Air Conditioning Systems

- Large Capacity Mix and Match Configured Series-Screw chillers



- 5<sup>th</sup> Generation Side discharge VRF



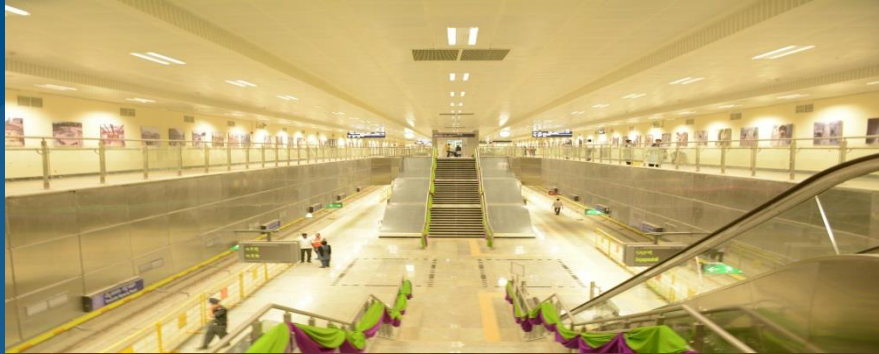


- India's largest air conditioning and refrigeration service provider
- Maintaining around 2 million tonnes of air conditioning and refrigeration equipment
- Backed by our value proposition "Gold Standard service delivery", we extensively expanded our service reach to Tier 2, 3 & 4 towns and are currently 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
- Offers Engineering Facility Management covering operation and maintenance services for electro-mechanical utilities

- Headquartered and managed by the Company's wholly owned subsidiary at Dubai.
- Offers Air Conditioning and Refrigeration products, after-sales service as well as system integration in global markets.
- Product portfolio includes Unitary products, DX Commercial, refrigeration and Applied systems products.
- Focus on building a larger international footprint by enhancing reach of distributors, channel associates.
- International projects managed by the Company's joint ventures at Qatar and Malaysia.
- State-of-the-art exclusive showroom at Dubai. Displays a complete range of our latest energy efficient products for the Middle East.



# Some of our prestigious projects



Bangalore Metro



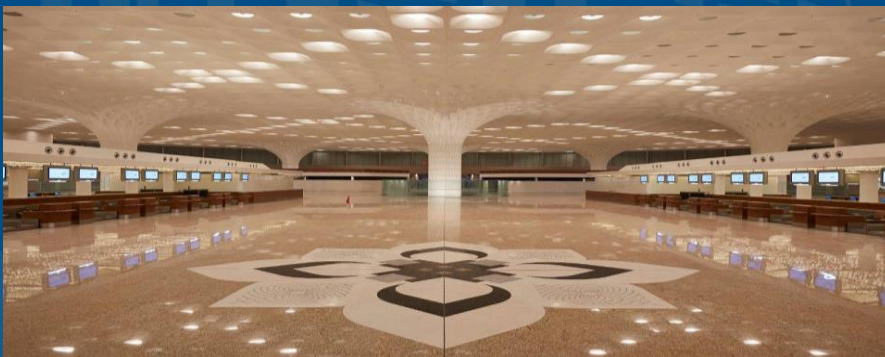
Gift City



Tata Power - HT Substation



Tata Steel



Chhatrapati Shivaji International Airport-T2



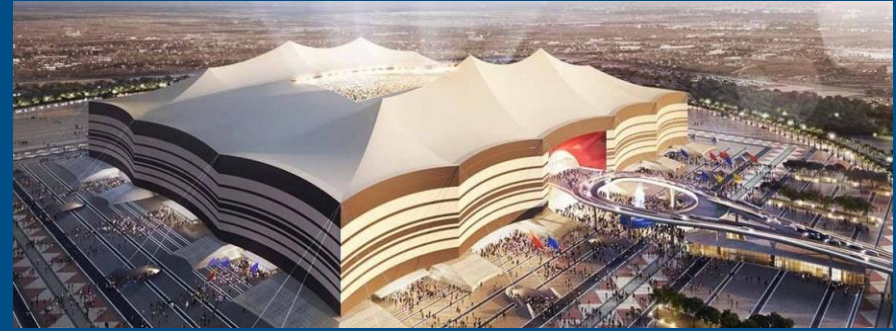
Parliament House



# Some of our prestigious international projects



HVAC works in Doha Live, Qatar



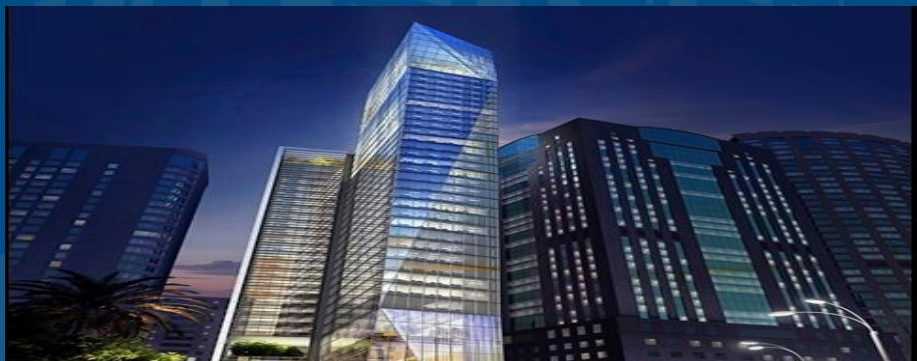
Al Bayt International Stadium



PAVILLION 2, BUKIT JALIL MALL, Malaysia



HOSPITAL CYBERJAYA, Malaysia



BB TOWER, Malaysia



Bowyer Wick Office & Warehouse



## Segment II Unitary Products



# Room Air Conditioners

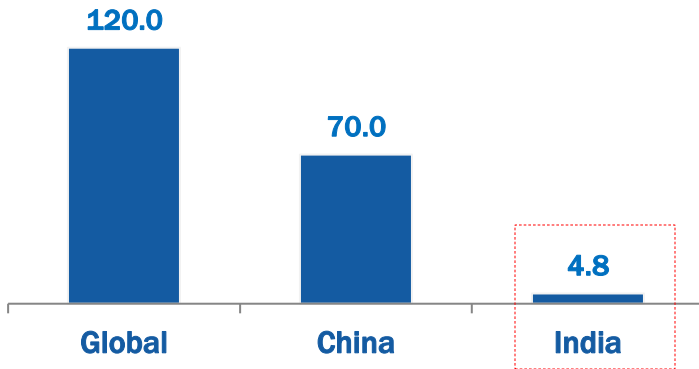
- Installed base of over two million units.
- Products available in 7250 outlets in more than 650 locations across the country.
- Focus on inverter technology, energy efficient products and ACs with purification technologies.
- Focus on residential as well as corporate and commercial customers
- Aesthetics and low noise make our products widely recommended by interior designers
- Higher quality consistent performance under various Indian conditions



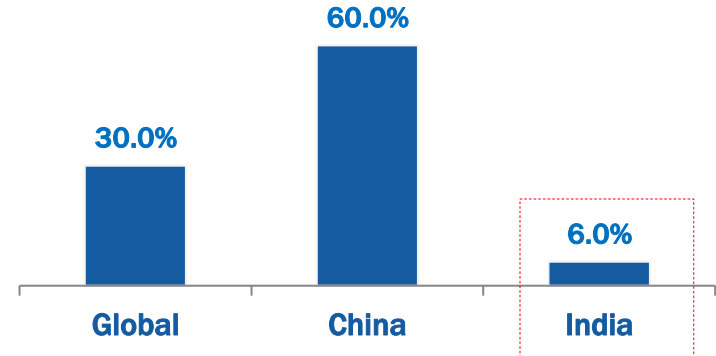


# Low penetrated market and growing middle class purchasing power offer immense opportunity for growth...

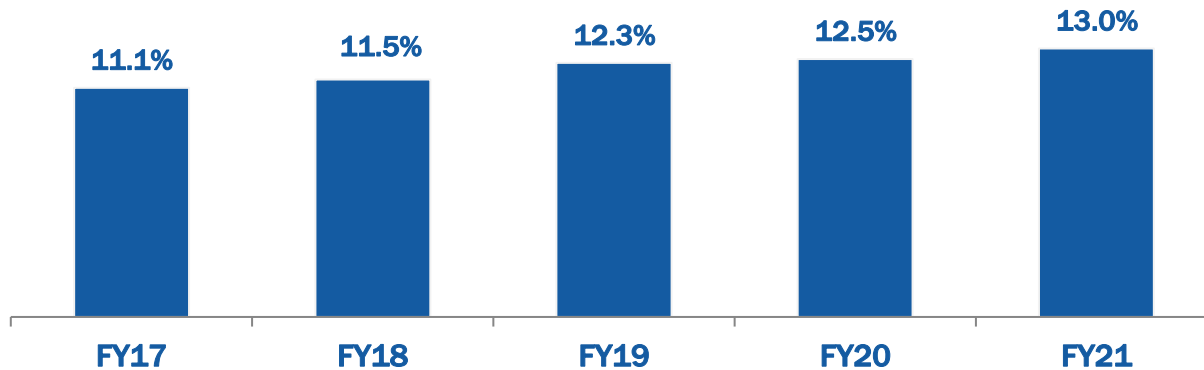
Market Size (Units in millions) - FY21



Penetration % - FY21



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
- Launched 'Vaccine Transporters' and 'Ice Lined Refrigerators' to support the covid vaccination program





# Water Purifiers

- Comprehensive range of stylish value for money as well as premium and differentiated range of RO+UV+UF products across price points from Rs 7,900 to Rs 34,900
- Unique features such as cold and hot water, filter change alerts, aqua taste boosters and electronic dispensing
- Available in over 450 towns with ~200 channel partners and 3000 retail points
- Won the Water Digest Awards 2019 for 'Best Domestic RO+UV Purifier' in the country for the third time in a row



# Manufacturing Facilities



\* Under Construction; to be commissioned by Q3FY23

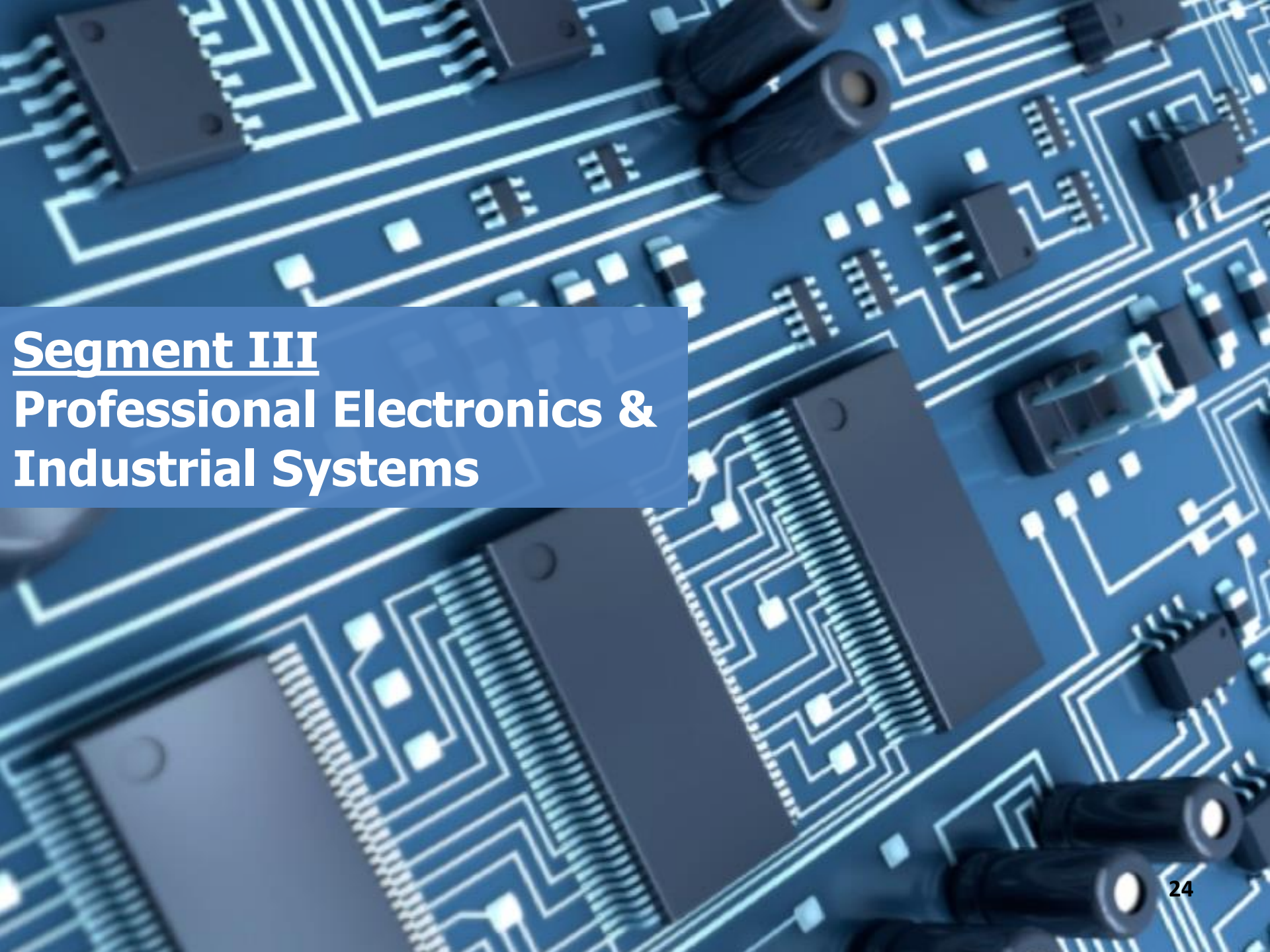


- Specialise in manufacturing a variety of highly engineered and custom-built products.
- Manufacturing footprint of 1 lakh square meter.
- Over 300 models manufactured across 25 product lines.
- Lean manufacturing and world-class practices.
- Green Building initiative - Wada factory certified 'Green factory' – Gold category from IGBC and Solar plant installed at Dadra.
- Capacity expansion underway in line with growth.
- 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



- Department of Scientific & Industrial Research (DSIR) approved R&D facilities
- Consistent investment in R&D to enhance company's product offerings and technical capabilities
- Focus on energy efficient and sustainable products and technologies
- 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



**Segment III**  
**Professional Electronics &  
Industrial Systems**



# Professional Electronics & Industrial Systems

- Managed by the Company's wholly owned subsidiary, Blue Star Engineering & Electronics Ltd
- Lines of Business include:
  - Healthcare Systems: MRI & CT Scanner
  - Data Security Solutions: Payment HSM, PKI, Encryption
  - Communication Systems: Satellite Test Equipment, Radio Frequency recorders
  - Testing Machines: UTM, Hardness Testers, Chambers
  - NDT Systems & Industrial Automation: Ultrasonic, Eddy Current Systems, X-Ray, MPI, Bagging, Truck Loading
  - NDT Products: Ultrasonic, RVI, X-Ray, CT, CR, Metrology
- Evolved from being only a distributor of leading global manufacturers to a high-end system integrator and value-added reseller



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 of the people are reflected on the glossy floor. A semi-transparent blue banner is overlaid on the image, containing the text 'Financial Performance Q2FY22' in white, bold, sans-serif font.

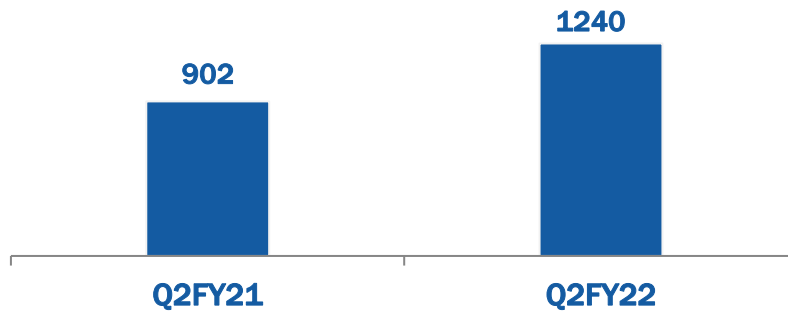
# Financial Performance Q2FY22



# Financial Performance – Q2FY22

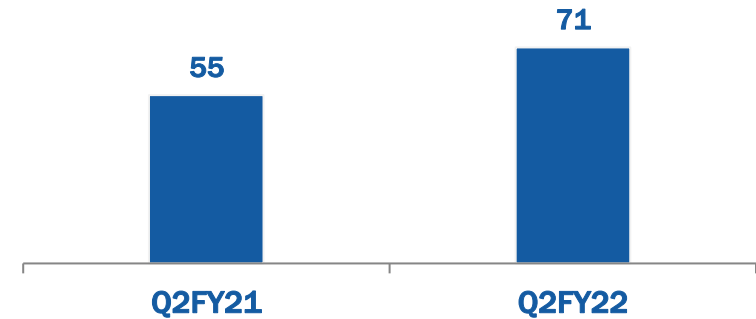
## Revenue (Rs Cr)

Growth of 37%



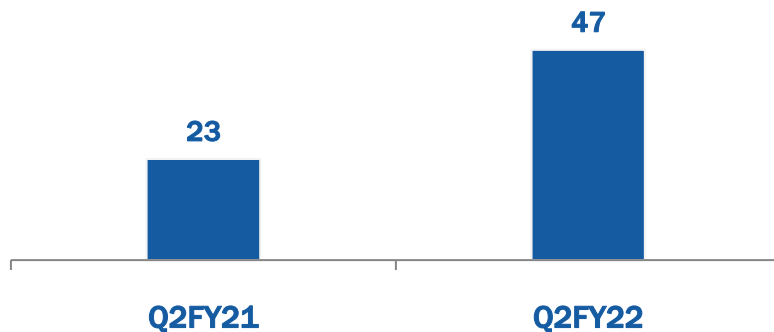
## EBITDA (Rs Cr)

Growth of 28%

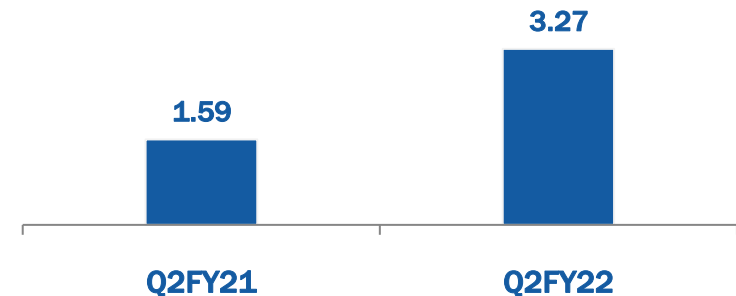


## Profit before tax (Rs Cr)

Growth of 108%



## Earnings per share (EPS)\* (Rs)



\*Not Annualized

# Segment Performance – Q2FY22

## Segment Revenue (Rs Cr)

### Segment 1

Growth of 34%

723

541

Q2FY21

Q2FY22

### Segment 2

Growth of 43%

455

319

Q2FY21

Q2FY22

### Segment 3

Growth of 45%

62

43

Q2FY21

Q2FY22

## Segment Result (Rs Cr)

### Segment 1

Growth of 35%

47

34

Q2FY21

Q2FY22

### Segment 2

Growth of 98%

23

12

Q2FY21

Q2FY22

### Segment 3

Growth of 21%

10

8

Q2FY21

Q2FY22



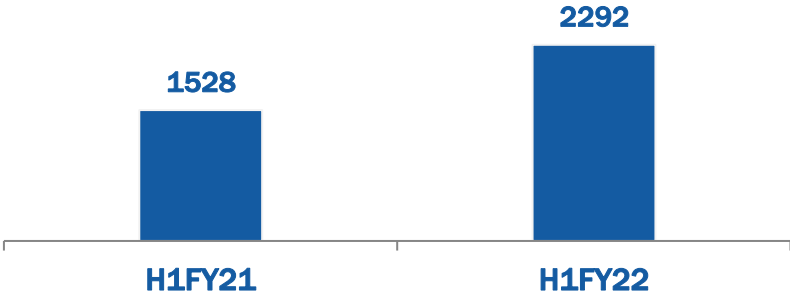
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# Financial Performance H1FY22

# Financial Performance – H1FY22

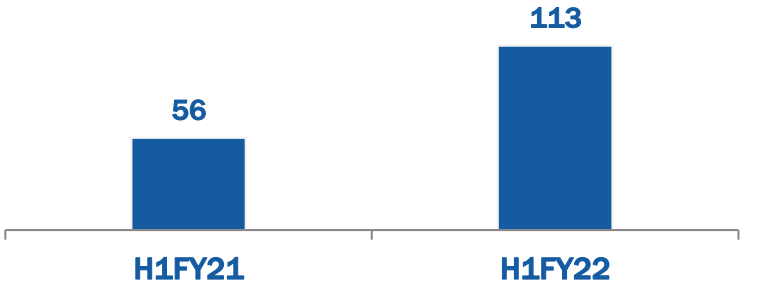
## Revenue (Rs Cr)

Growth of 50%

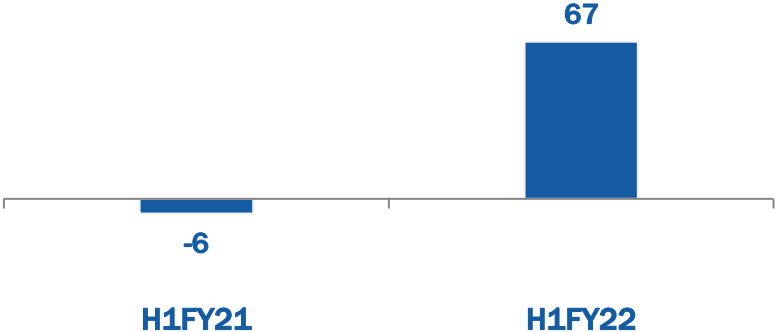


## EBITDA (Rs Cr)

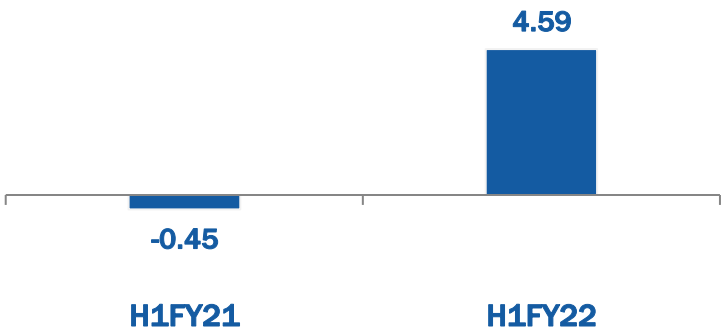
Growth of 100%



## Profit before tax (Rs Cr)



## Earnings per share (EPS)\* (Rs )

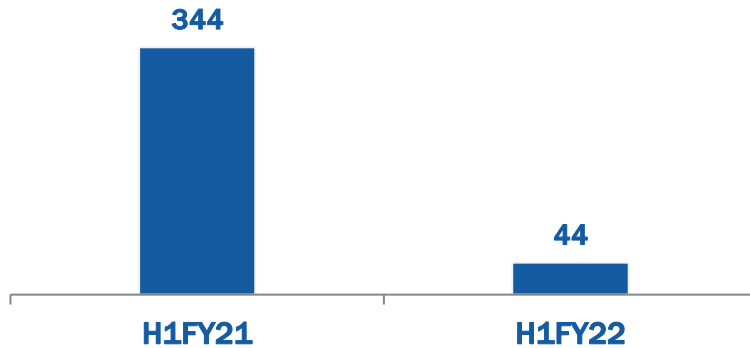


\*Not Annualized

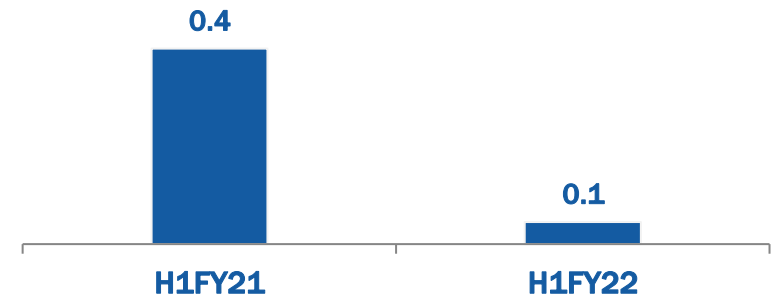


# Balance Sheet indicators – H1FY22

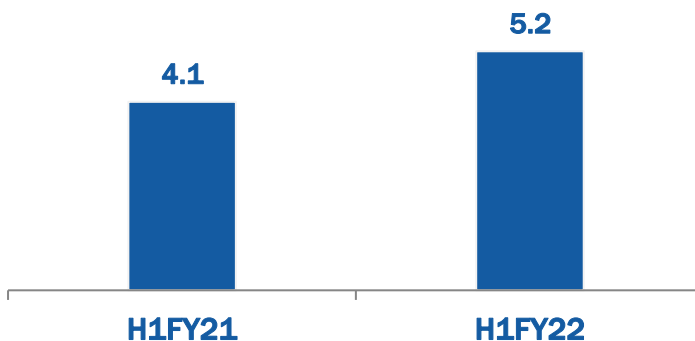
Net Borrowing (Rs Cr)



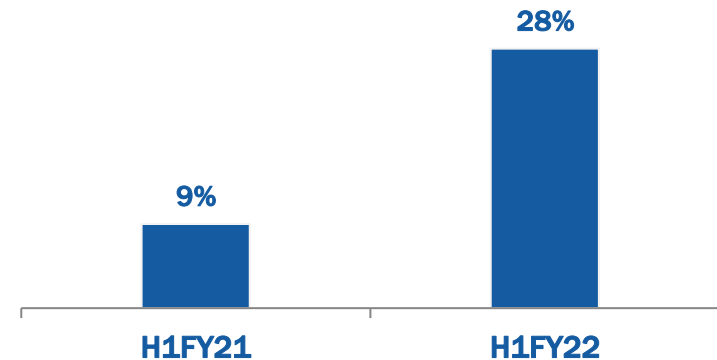
Debt / Equity (times)



Capital Turns (times)



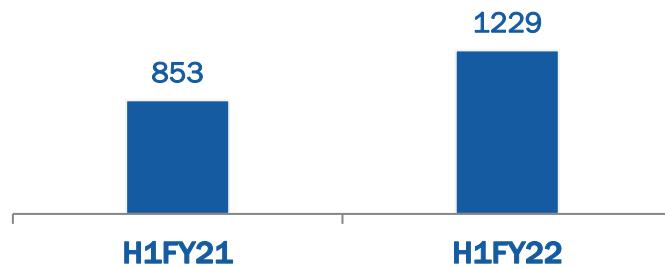
Return on Capital Employed (%)



# Segment 1: EMP and Commercial Air-Conditioning systems

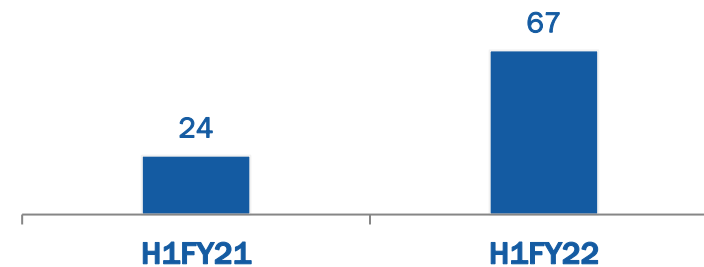
## Segment Revenue (Rs Cr)

Growth of 44%

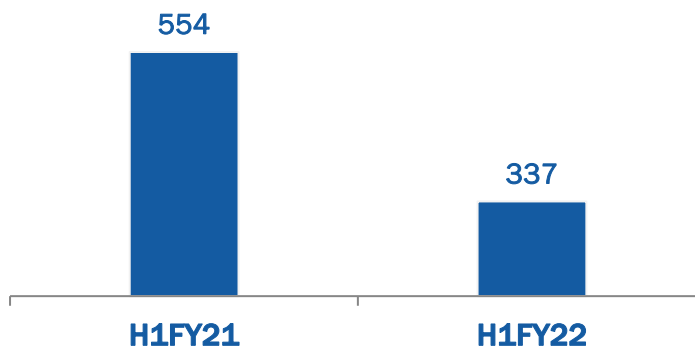


## Segment Result (Rs Cr)

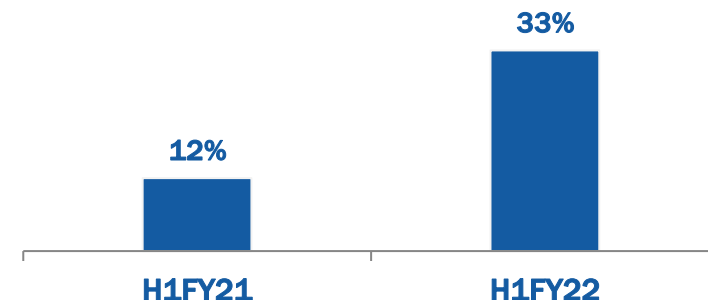
Growth of 179%



## Capital Employed (Rs Cr)



## Return on Capital Employed (%)

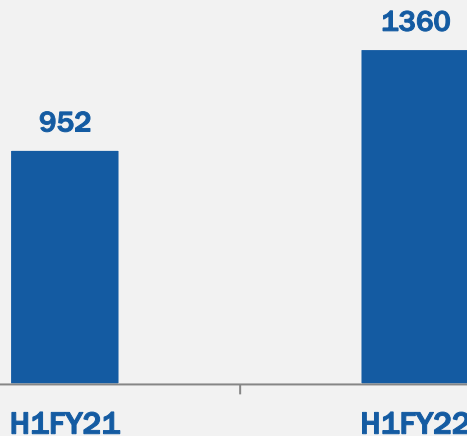




# Segment 1: EMP and Commercial Air-Conditioning systems

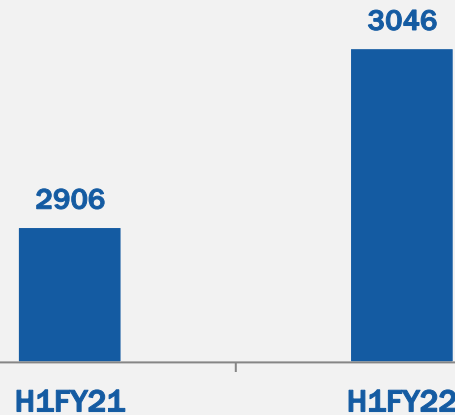
## Orders Booked (Rs Cr)

Growth of 43%



## Carried forward Orders (Rs Cr)

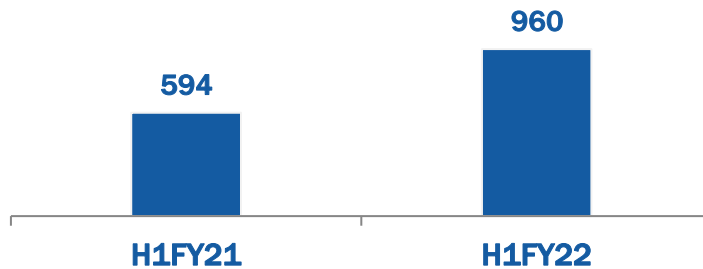
Growth of 5%



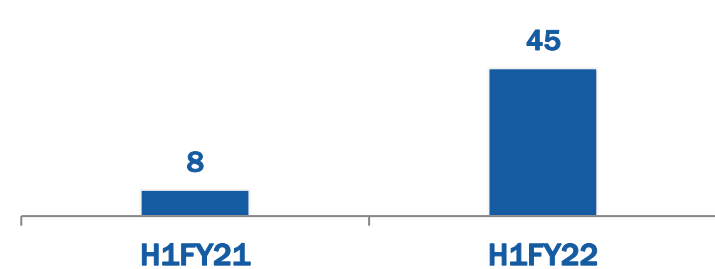
# Segment 2: Unitary Products

## Segment Revenue (Rs Cr)

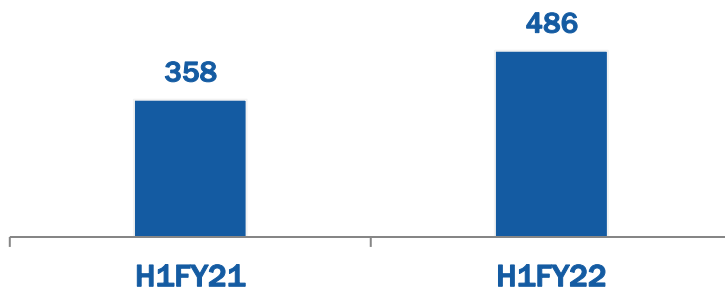
Growth of 62%



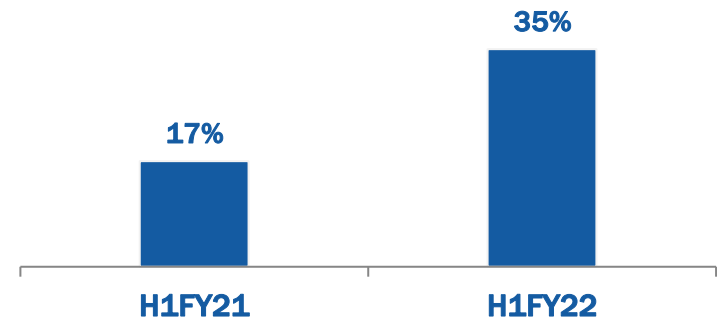
## Segment Result (Rs. Cr)



## Capital Employed (Rs Cr)



## Return on Capital Employed (%)

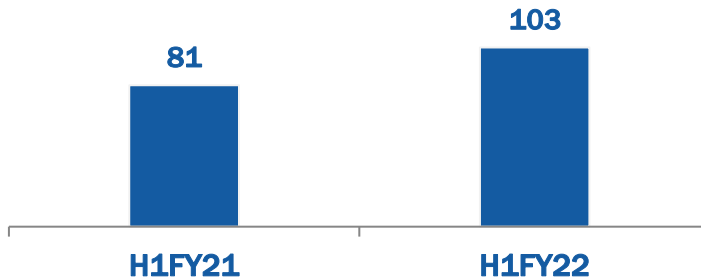




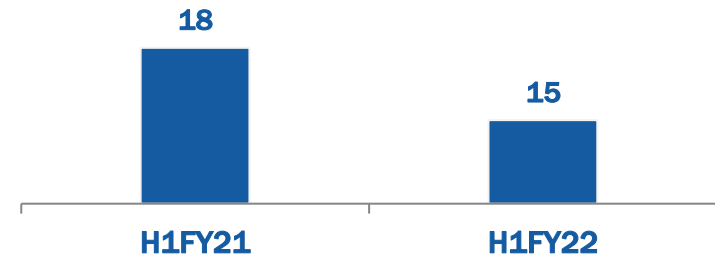
# Segment 3: Professional Electronics & Industrial Systems

Segment Revenue (Rs Cr)

Growth of 27%



Segment Result (Rs. Cr)





# Thank you