

## **76<sup>th</sup> ANNUAL GENERAL MEETING – BLUE STAR LIMITED**

**06<sup>th</sup> August 2024**

- **Mr. Rajesh Parte – Company Secretary & Compliance Officer, Blue Star Limited:**
- Good afternoon. I, Rajesh Parte, Company Secretary and Compliance Officer, welcome you to the 76<sup>th</sup> Annual General Meeting of Blue Star Limited. Mr. Vir S Advani, Chairman and Managing Director of the company, has occupied the chair. Members are requested to note that this AGM is being held through video conference in accordance with the provisions of the Companies Act, 2013 and applicable circulars issued by the Ministry of Corporate Affairs and SEBI. However, the proceedings of the meeting shall be deemed to have been conducted at the registered office of the company. The facility for joining this meeting through video conference, is being made available for the members on a first come, first serve basis. I have been requested by the Chairman to record the fact that the company has taken requisite steps to ensure that AGM through video conference is a seamless experience for all the stakeholders and all efforts feasible have been indeed made by the company to enable members to participate and vote on each item of the business. Members participating in the AGM through VC shall be reckoned for the purpose of quorum as per section 103 of the Companies Act, 2013.
- All members who have joined this meeting are by default kept on mute to avoid any disturbance and ensure smooth conduct of this meeting. The company has received requests from a few members to register themselves as speakers, in the interest of time, we have restricted the number of speakers. We would request the shareholders to limit their speech to 3 minutes. Once the question-and-answer session starts, the meeting moderator will announce the names of the shareholders one by one, who have registered themselves as speaker shareholders. The speaker shareholders will thereafter be unmuted. To start speaking shareholders are requested to click the video ON button. If the shareholders is not able to join through video for any reason, the shareholders can speak through the audio mode. If there is connectivity problem at any speakers end, we will ask the next speaker to join and the said earlier speaker who could not speak due to connectivity problem will be called again to speak. Members are requested to refer to the instructions provided in the notice for seamless participation through video conference. In case members face any difficulty, they may reach out on the helpline numbers mentioned in the notice of the Annual General Meeting.
- As the AGM is being held through video conference, the facility for appointment of proxies by the members was not applicable and hence the proxy register is not available for inspection. The statutory registers and other documents have been made available for electronic inspection during the AGM. Members wishing to inspect such documents can send their requests to [secretarialdesk@bluestarindia.com](mailto:secretarialdesk@bluestarindia.com). The company had

provided remote e-voting facility through NSDL to the shareholders to cast their votes electronically in respect of all businesses mentioned in the notice of AGM. The remote e-voting facility commenced on August 2<sup>nd</sup>, 2024, and ended on August 5<sup>th</sup>, 2024, at 5:00 pm Indian Standard Time. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote voting, shall be eligible to cast their vote through the e-voting system during the AGM. Members may cast their vote while simultaneously viewing the proceedings of this meeting. Please note that there will be no voting by show of hands at this AGM.

- Mr. Bharat Upadhyay, partner of N L Bhatia & Associates, Practicing Company Secretaries, has been appointed as the scrutinizer to scrutinize the remote e-voting process and e-voting during the AGM in a fair and transparent manner. As the requisite quorum in terms of section 103 of the Companies Act, 2013 is present, I am calling this meeting to order. The company has not received any board resolution from any corporate shareholders, appointing representatives under section 113 of the Companies Act. We also have Mr. Nikhil Sohoni, Group Chief Financial Officer, attending this 76<sup>th</sup> Annual General Meeting. The representatives of statutory auditors and secretarial auditors are also attending this meeting. With the unanimous consent of the directors attending the meeting, I request Mr. B Thiagarajan to occupy the chair in case due to technical glitch unavoidable circumstances, Mr. Vir Advani fails to continue with the meeting.
  
- **Mr. G. Murlidhar – Independent Director, Blue Star Limited:**
- I agree.
  
- **Mr. Vir S. Advani – Chairman & Managing Director, Blue Star Limited:**
- I agree.
  
- **Mr. Sam Balsara – Independent Director, Blue Star Limited:**
- I agree.
  
- **Mr. Dinesh N. Vaswani – Non-Executive Director, Blue Star Limited:**
- I agree.
  
- **Mr. Rajesh Parte – Company Secretary & Compliance Officer, Blue Star Limited:**
- Yes. Thank you, Directors, I now request Mr. Vir S. Advani, Chairman and Managing Director of the company to initiate the formal proceedings of the meeting.

- **Mr. Vir S. Advani – Chairman & Managing Director, Blue Star Limited:**
- Thank you, Rajesh. Ladies and gentlemen, I, Vir S. Advani, Chairman and Managing Director of the company, have great pleasure in inviting you to the 76<sup>th</sup> Annual General Meeting of Blue Star Limited. Before we start the main proceedings of the meeting, I request all directors to introduce themselves one by one. Mr. B. Thiagarajan.
- **Mr. B. Thiagarajan – Managing Director, Blue Star Limited:**
- I'm B. Thiagarajan, Managing Director of Blue Star Limited. I am the Chairman of Corporate Social Responsibility and ESG Committee and a member of the Audit Committee and Risk Management Committee. I am attending this 76<sup>th</sup> Annual General Meeting of Blue Star Limited from Mumbai.
- **Mr. Sam Balsara – Independent Director, Blue Star Limited:**
- I am Sam Balsara, Independent Director of Blue Star Limited. I am the Chairman of the Nomination and Remuneration Committee. I am attending the 76<sup>th</sup> Annual General Meeting of Blue Star Limited from Mumbai.
- **Mr. Anil Harish – Independent Director, Blue Star Limited:**
- I'm Anil Harish, Independent Director of Blue Star Limited. I am the Chairman of the Audit Committee and a member of the Risk Management Committee. I am attending the 76<sup>th</sup> Annual General Meeting of Blue Star Limited from Mumbai.
- **Ms. Anita Ramachandran - Independent Director, Blue Star Limited:**
- I'm Anita Ramachandran, attending the 76<sup>th</sup> Annual General Meeting from Mumbai. I am a member of the NRC and of the CSR committee of Blue Star.
- **Mr. Vir S. Advani – Chairman & Managing Director, Blue Star Limited:**
- Mr. Rajiv Lulla.
- **Mr. Rajiv Lulla – Non-Executive Director, Blue Star Limited:**
- Good afternoon. I am Rajiv Lulla, Non-Executive Director of Blue Star Limited. I'm a member of the Investor Grievance cum Stakeholder Relationship Committee and Risk Management Committee. I'm attending the 76<sup>th</sup> Annual General Meeting of Blue Star Limited from Mumbai.

- **Mr. Vir S. Advani – Chairman & Managing Director, Blue Star Limited:**
- G. Murlidhar.
- **Mr. G. Murlidhar - Independent Director, Blue Star Limited:**
- Good afternoon, everybody. I'm G. Murlidhar, Independent Director of Blue Star Limited. I am a member of the Audit Committee. I am attending the 76<sup>th</sup> Annual General Meeting of Blue Star Limited from Mumbai. Thank you.
- **Mr. Vir S. Advani – Chairman & Managing Director, Blue Star Limited:**
- Sunaina Murthy.
- **Ms. Sunaina Murthy – Non-Executive Director, Blue Star Limited:**
- Good afternoon. I'm Sunaina Murthy, Non-Executive Director of Blue Star Limited. I'm a member of the Investor Grievance cum Stakeholders Relationship Committee and Corporate Social Responsibility and ESG Committee. I'm attending the 76<sup>th</sup> Annual General Meeting of Blue Star Limited from Mumbai.
- **Mr. Vir S. Advani – Chairman & Managing Director, Blue Star Limited:**
- Arvind Singhal.
- **Mr. Arvind K. Singhal - Independent Director, Blue Star Limited:**
- Good afternoon. I'm Arvind Singhal, Independent Director of Blue Star Limited. I am the Chairman of Investor Grievance cum Stakeholders Relationship Committee and a member of Audit Committee. I am attending the 76<sup>th</sup> Annual General meeting of Blue Star Limited from Mumbai.
- **Mr. Vir S. Advani – Chairman & Managing Director, Blue Star Limited:**
- Vipin. Sondhi.
- **Mr. Vipin Sondhi - Independent Director, Blue Star Limited:**
- **Mr. Vipin Sondhi - Independent Director, Blue Star Limited:**

- Namaskar. I'm Vipin Sondhi, Independent Director of Blue Star Limited. I'm attending the 76<sup>th</sup> Annual General Meeting of Blue Star from Mumbai.
- **Mr. Vir S. Advani – Chairman & Managing Director, Blue Star Limited:**
- Thank you, Dinesh Vaswani.
- **Mr. Dinesh N. Vaswani - Non-Executive Director, Blue Star Limited:**
- I am Dinesh Vaswani, Non-Executive Director of Blue Star Limited. I'm a member of the Nomination and Remuneration Committee, and I'm attending the 76<sup>th</sup> Annual General Meeting of Blue Star Limited from Mumbai.
- **Mr. Vir S. Advani – Chairman & Managing Director, Blue Star Limited:**
- Thank you, directors. As the notice was already circulated to all the members, I take the notice convening the meeting as read. The reports of the statutory auditors and secretarial auditors do not contain any adverse qualifications, observations or comments on the functioning of your company and hence are not being read. Let me now apprise you on the performance of your company during FY24.
- So, good afternoon, ladies and gentlemen once again. On behalf of the Board of Directors of Blue Star Limited and on my personal behalf, I extend a warm welcome to you to the 76<sup>th</sup> Annual General Meeting of Blue Star Limited, which is being conducted virtually. It is indeed an honor and a privilege to address you for the first time as a Chairman and Managing Director of your company. At the outset, I would like to sincerely express my deepest gratitude to Mr. Shailesh Haribhakti, who retired as Independent Director and Chairman of the board on 31<sup>st</sup> March 2024, for leading the company for 5 years and enabling it to achieve several new milestones. He was associated with the company as an Independent Director for over 17 years and significantly contributed to numerous areas specifically corporate governance, taxation, risk, ESG and digitalization. He has been and continues to be a remarkable guide and mentor, and I have learnt a lot from him during his tenure. I also take this opportunity to thank the Chairpersons of the past the founder, Mr. Mohan T Advani, Mr. B.T. Advani, Mr. Ram D Malani, Mr. Ashok M Advani and Mr. Suneel M Advani who have devoted their lifetimes to Blue Star, painstakingly building the company and taking it to where it proudly stands today. Thank you.
- Earlier today, the board met and approved the results of the Q1FY25. Financial highlights for the first quarter on a consolidated basis are as follows: Revenue from operations for the quarter grew to ₹ 2,865 crores, compared to ₹ 2,226 crores in the same quarter last year. EBITDA for Q1FY25 was ₹ 237.83 crores, where margin of 8.3% compared to ₹ 145 crores and an EBITDA margin of 6.5% in the quarter last year. Net profit for the first quarter was ₹ 168.76 crores, compared to a net profit of ₹ 83.37 crores in Q1FY24. The

net cash position of the company on June 30<sup>th</sup>, 2024, stood at ₹ ₹1,042 crores compared with a net borrowing of ₹ 283 crores as of June 30<sup>th</sup>, 2023. The carry forward order book as of June 30<sup>th</sup>, 2024, was at a record ₹ 6,084 crores in comparison to ₹ 5,359 crores as of June 30<sup>th</sup>, 2023.

- As you may have read in my letter to the shareholders, in the Annual Report, FY24 was a milestone year for the company, as it marked the completion of 80 years of our existence on September 27<sup>th</sup>, 2023. We are gratified about the fact that coinciding with the 80<sup>th</sup> anniversary celebrations, the fiscal year 23-24 was an exceptional one, with all businesses contributing significantly to the company's growth. The new fiscal year has begun on a high note, aided by a strong summer season, resulting in a record growth in our room air conditioner business this quarter. Additionally, we are experiencing strong demand from the manufacturing, data center and infrastructure segments for our electro-mechanical projects business. Our central air conditioning business is witnessing increased demand from the industrial, healthcare, hospitality, retail and educational sectors. The commercial refrigeration business also gained significant traction, driven by a higher demand from ice cream OEMs, QSRs, the HoReCa segment, food retail and healthcare. On the international front, we commenced commercial production of heat pumps for the North America market. Our market capitalization has grown 5-folds in 5 years from ₹ 6,700 crores on April 1, 2019 to over ₹ 30,000 crores today, reflecting the strong trust our investors have placed in us. I am deeply grateful for your continued support in Blue Star. Thank you.
- While many of you are loyal shareholders, you will know the Blue Star history. The number of shareholders has grown by close to 80% in the last 5 years. I therefore thought it is important to share our story once again for their benefit.
- Blue Star was founded in 1943, during World War II by Mohan T Advani, whom we fondly call MTA, a courageous startup entrepreneur with exemplary leadership qualities, passion and drive. World class customer experience, delivering excellence, innovation and creativity, business ethics, transparency, professional management and meritocracy, placing the interests of the enterprise over one's own were some of the values that drove him, and not the valuation of the enterprise. Even today, the board and employees of Blue Star are inspired by and follow these same values. MTA was initially engaged in the repair and reconditioning of air conditioners and refrigeration equipment on a shoestring budget of just ₹ 2,000 and a mere 3-member team. Blue Star began manufacturing ice candy machines, and bottle coolers and initiated central air conditioning system design and execution in 1947. The journey of the electronics and instrumentation business of the company began with acquiring the distributorship for all Honeywell products in India in 1954. Blue Star was listed on the stock markets in 1969, which gave us the necessary capital to expand our core. In the early '70s, we gained a first mover advantage by air conditioning the first 3 skyscrapers in Mumbai, the Air India headquarters, Express Towers and Oberoi Hotel. In 1983, long before the IT boom began, a software export unit was established at SEEPZ in Mumbai. In 1988, we became India's largest central air

conditioning company and both in commercial air conditioning and commercial refrigeration, we continue to be one of India's largest even now. Thereafter, we established 3 major JVs with Hewlett Packard, with Yokogawa and Motorola, which added value to Blue Star's global image and credibility. In 1997, we set up the most advanced world class factory in the HVAC&R industry in Dadra, two decades before the 'Make in India' initiative began. In the new millennium, we initiated the sale of products in the Middle East, both in our brand as well as, as an ODM partner. Recognizing the opportunities that India was likely to offer, we expanded our manufacturing footprint in Himachal Pradesh and Wada for production of AC&R equipment as well as fortified our position as an MEP player in the electromechanical projects business. In 2011, we forayed into the residential room AC business, which has now emerged as one of the largest businesses of the company.

- The last decade has been the most eventful. Expansion into more product categories including product adjacencies, setting up a Blue Star International FZCO in Dubai to make deeper inroads in global markets, engagement with Virat Kohli as the company's first brand ambassador for the Room AC business, setting up of subsidiaries in North America and Europe for offering custom design and manufacturing solutions, and commencement of commercial production of the Sri City plant for Room ACs, as well as the new plant at Wada for deep freezers.
- We have built a legacy that has endured the test of time, starting from partition to wars to recessions and most recently, the pandemic, and stands strong with great resilience even today. Today, Blue Star has firmly established itself as a market leader across all chosen business sectors. We are a 10,000-crore enterprise known as a preferred employer, the brand of choice for customers and a stock favored by investors. Our 5000 delivery partners serve over 900 towns in India and more than 20 countries from North America to East Asia, supporting 40,000 livelihoods daily. We lead in sustainability, adhering to strict regulations in energy labeling, ozone depletion, global warming and e-waste management. Our investments in R&D have increased significantly over the years to 1.5% of total revenue in FY24. We have 4 state-of-the-art R&D centers, including the Ashok M Advani Innovation Center in Bhiwandi, propelled by the grant of ₹ 100 crores by Mr. Ashok M Advani. We have over 46 patent applications and 46 design registrations and are working hard to nurture an innovation culture. Our 7 state-of-the-art manufacturing plants spread across the country focus on excellence and quality enhancements using the latest machinery, as well as adopting industry 4.0 practices. The company employs total cost management techniques to reduce costs while maintaining high quality.
- In terms of our human resources over 70% are engineers or possess technical diplomas and certifications. Our investments in leadership development and functional training include building a pipeline of young leaders. The company's brand and its value proposition, built on trust, remain compelling to both consumers and business customers. Having Virat Kohli as the face of our room air conditioner business has significantly

increased our visibility in Hindi-speaking markets and Tier 3, Tier 4 and Tier 5 towns, particularly amongst young consumers.

- As we march towards our centennial milestone, it is crucial to focus on strategic areas that will make Blue Star a future ready organization. India's economic growth continues to shine in the global arena and is expected to do much better in the years ahead. India is currently the 5<sup>th</sup> largest economy, and according to IMF projections, in about 5 years it will emerge as a 3<sup>rd</sup> largest economy, only after the US and China, recording the highest growth rate in GDP as compared to any other nation. With this backdrop, the Indian HVAC&R industry is poised for exponential growth, driven by lower penetration of room ACs and the burgeoning middle-class consumer with high disposable income, especially from Tier 3, 4 and 5 markets. The urban population is expected to rise by about 100 million people by 2030, which will further propel demand for all our products and solutions. The overall AC industry, both residential and commercial, currently valued at ₹ 27,000 crores, is likely to double in the next 4 years. We believe that Blue Star now stands at the cusp of exponential growth and is very well placed to leverage the opportunities that India, and specifically the Indian HVAC&R industry, have to offer. Our multi-channel strategy will encompass modern retail, regional power retailers, distributors, single outlet formats, e-commerce, ONDC and direct to consumer channels, all of which we will actively pursue. India is at the forefront of cooling industry advancements, being the first country to announce a comprehensive action plan called the 'India Cooling Action Plan'.
- The future of cooling will lie in energy efficiency, regulatory compliance and geographical presence for any player. We intend to play a leading role and will focus not only on creating innovative products that are energy efficient, but also sustainable. We aim to accelerate our efforts in the green building movement, as well as in net zero mission. Aligned with the UN Global Cooling Pledge, we aim to contribute to the cause of achieving the emission targets. We will continue with evaluating further investments in manufacturing and wherever feasible, also, develop a local vendor ecosystem with an intent to reduce our dependence on imports. India's exports were just 1.8% of global trade in FY24, and we believe this will grow rapidly in the coming years. We intend to significantly scale up exports and play a larger role in the decarbonization of heating and cooling markets globally. We are in the investment phase in this business and expect to emerge as a globally relevant HVAC&R player in the coming decade.
- There is likely to be a huge talent shortage given the increase in opportunities, and your company will continue to invest heavily on training and development of not only its employees, but also its channel partners and vendor ecosystem in its endeavor to create a pool of talented resources and build a strong technical organization. As a leader, we will continue to invest in enhancing brand equity amongst both B2B and B2C consumers, especially the new decision makers comprising Millennials and Gen Z buyers. Our deep consumer insights into the domestic market coupled with our cooling expertise, expansive network of channel partners, robust brand equity, extensive domain



knowledge and innovative technologies positions us perfectly to seize the opportunities this growth will bring.

- As with R&D, your company has significantly increased its investments in digitalization initiatives, including data analytics, machine learning and artificial intelligence, with the objective of driving revenue growth, enhancing competitiveness and transforming customer experience. AI presents a tremendous opportunity to transform the way we do business, as well as the way our products will interact with our users, and we are excited with the journey ahead. Over the years, we have learned and demonstrated the ability to dynamically adapt to the changing market conditions and emerge successful. This, I believe, is our core DNA, which will hold us in good stead in the future as well.
- In conclusion, I place on record my gratitude to our customers, channel partners, business associates and vendors for their support and contribution to the success of Blue Star. I extend my heartfelt appreciation to the Executive Management and Employees of Blue Star, not just for their outstanding performance for the year, but also for their passion and commitment to the company. The company is built to last because each and every Blue Starier lives and breathes our credo every day. I also express my deep gratitude to my colleagues on the board, as well as Mr. Ashok M Advani and Mr. Suneel M Advani for their guidance, invaluable counsel and support that they provide to Mr. B. Thiagarajan and myself.
- Thank you, shareholders, for your continued trust as we navigate this exciting journey ahead. I'm confident that Blue Star will continue to rise to every occasion and achieve remarkable success. Warmest wishes to you all. Thank you.
- For the agenda contained in the notice, I request Mr. Rajesh Parte, Company Secretary and Compliance Officer, to briefly explain the resolutions proposed to be passed at the AGM.
- **Mr. Rajesh Parte – Company Secretary & Compliance Officer, Blue Star Limited:**
- Thank you, Chairman. Since the remote e-voting is already concluded and many members have already cast their votes, there will be no proposer or seconder for the resolutions as set out in the notice of AGM.
  - ❖ Item #1: Of the notice relates to approval of audited standalone financial statements of the company for the financial year ended March 31<sup>st</sup>, 2024, along with all the reports of the Board of Directors and Auditors thereon and the audited consolidated financial statements of the company for the financial year ended 31<sup>st</sup> March 2024, together with the report of the auditors thereon. As stated earlier, the auditors' reports are unmodified. The resolution at item number one of the notice is therefore set forth for your approval as an ordinary resolution.

- ❖ Item # 2: Of the notice relates to approval of final dividend of ₹ 7 per equity share of the face value of ₹ 2 each for the financial year ended March 31<sup>st</sup>, 2024. The resolution at item number two of the notice is set forth for your approval as an ordinary resolution.
  - ❖ Item # 3: Relates to reappointment of Miss Sunaina Murthy, who retires by rotation and being eligible, offer herself for reappointment. The resolution at item number three of the notice is set forth for your approval as an ordinary resolution.
  - ❖ Item # 4: Of the notice relates to approval of remuneration of M/s Narasimha Murthy and Company, Hyderabad, cost accountants for FY24 and FY25. The resolution at item number four of the notice is set forth for your approval as an ordinary resolution. In respect of item number four, cover under Special Business necessary information has been provided in the explanatory statement forming part of the notice of the Annual General Meeting. Approval of the members is therefore sought for the said agenda items.
- I now hand over the further proceedings to the Chairman.

- **Mr. Vir S. Advani – Chairman & Managing Director, Blue Star Limited:**

- Thank you, Rajesh. I now invite the shareholders to offer comments and seek clarifications on the resolutions contained in the notice. In order to afford an opportunity to as many of you as possible, I request you to be brief and avoid repeating the questions or comments made by earlier speakers. Shareholders are requested to mention their name before asking their questions. I now request the moderator to start the Q&A session.

- **Moderator:**

- Thank you, chairman sir. Before we begin taking questions from shareholders, a brief audio visual will be played.

*(Video played from 35.04-35.30)*

The Chairman will now be taking questions. we request you to unmute yourself and switch your camera on before speaking. Kindly restrict your speaking time to under 3 mins. I invite our 1<sup>st</sup> speaker shareholder, Mr. Satish Shah to speak.

- **Mr. Satish Shah – Shareholder:**

- Hello? Can you hear me Sir?

- **Moderator:**

- We can hear you Sir, please go ahead.
- **Mr. Satish Shah – Shareholder:**
- Ok Sir, thank you. respected Chairman Sir and other directors, my name is Satish Shah. Chairman Sir, you explained so well about the company. I have no questions to ask because you explained to us in so much details. Thank you. We have got our dividend today. So I just want to know about the dividend policy. The annual report is very colourful and attractive. I got the link also easily. I got a reminder call also telling me to join the meeting along with my speaker number. So your investor service is very good. Congratulations on winning awards. Sir, I fully support all your resolutions. Sir, I want to ask you one thing, what is the impact of the last financial budget on the company? Wish you all the best. Thank you. Thank you Sir, all the best.
- **Mr. Vir S. Advani – Chairman & Managing Director, Blue Star Limited:**
- Thank you.
- **Moderator:**
- Thank you Mr. Satish Shah. I now invite Mr. Santosh Kumar Saraf, our next shareholder to speak. Sir, we can see you. Kindly unmute your microphone, go ahead and speak.
- **Mr. Santosh Kumar Saraf – Shareholder:**
- Ram! Ram! Respected Chairman Sir, members of the Board, employees and leaders, I am Santosh Kumar Saraf from Kolkata, saying Ram Ram to you all. I hope that the health of all the Directors and the 7000 employees is fine and they are safe. I am grateful to the families of all the 7000 employees and even your family as they contribute in keeping you all healthy and this helps you to focus on your work in the company. Sir, I would like to thank you for the dividend also. I would also like to thank the employees for winning awards and recognitions. Sir, you have told us a lot today. Not much, but I want to draw your attention towards 1-2 things. Sir, there should be some difference between employees and workers. Employees and workers are of 2 types. On page no.166, you have written 'Permanent Employees' and the figure mentioned is 2534. On page no.183, you have written 'Permanent Worker' and the figure mentioned is 2534. How can they be the same? A workers' and employees' languages are different. Please get it corrected Sir. it can be a printing mistake or a writing mistake. Your permanent workers and permanent employees are both different. employees mentioned on 166 is right but on page 183, you have written 'worker'. Secondly Sir, our percentage of female employees is very less. The percentage of females is only 10. So what's the plan to increase their empowerment? Because I feel that in any industry, a female can do any kind of work plus you will get good

ones because they are sincere. It's not like olden days wherein women used to stay at home Now you will get them as big engineers also. So please pay attention to it Sir. You have done very good work in one of your plants Sir. You have put solar panels and made very good arrangements. By when will you achieve zero carbon emission? In the international carbon exchange, did you get listed for it? You are working in the solar field. So have you got listed for the international carbon exchange for the extra carbon? Sir, have you ever done audit for the energy used? Like how can the cost be reduced after the audit? Also you must do audit for your CSR activities so that we know that it is going on the right track. Tell us about the new products made by you. This is the world of Artificial Intelligence. How can our company adopt this so that the productivity of our company, growth and other sectors of our company only increases in number. Tell me about this. Many times, the research and development of a company is maintained like a secret. So what steps have you taken for its cyber security? Tell me Sir. I will not take much of your time. Since some years, 40.58-40.59, its more than 30yrs. So please think about this Sir. I will not take much of your time Sir. All the directors, employees and workers are doing a good job. May God keep them healthy and keep their families happy. I am giving you my best wishes for the financial year 2024-25. Please continue with the VC meeting. Even if I am in Kolkata, I am able to express my gratitude to the good work done by our employees and workers. If you do physical, then I may not get a chance to do so. Praful ji from Hyderabad can join you, Lekha mam will join from Mumbai. So I want you to continue with this meeting. It also leads to cost cutting. You tend to spend lesser money. And for the Directors, 41.52 is also less. thank you for giving me time. Ram Ram! Jai Hind! Jai Bharat! Namaskar!

- **Moderator:**

- Thank you very much Mr. Saraf. I now invite Ms. Smita Shah and Mr. Bharat Shah to address us.

- **Ms. Smita Shah – Shareholder:**

- Hello?

- **Moderator:**

- Hello mam, we can hear you.

- **Ms. Smita Shah – Shareholder:**

- Can you hear me?

- **Moderator:**

- Yes mam, please go ahead.
- **Ms. Smita Shah – Shareholder:**
- Thank you Sir. Respected Chairman Sir, MD Saab, Shri Virji, Advaniji, MD Shri Thiagarajan ji and all the other Directors present here today through this medium, Smita Shah's pranams to you all. Chairman Sir, Shri Vir ji, today, along with congratulating you Sir, I am also welcoming you to as the Chairman. I am also welcoming our new Independent Directors, Vipin ji and Murlidhar ji onto the Board. I am very grateful and thankful to our Company Secretary. The hard working, quiet, sober and good natured Company Secretary, Shri Rajesh ji always does his work with responsibility. From his hardworking team, we have Shruti, Ankit and Gaurav, they are very hard working and peaceful. The entire team is giving very good service and behaves very well with all the shareholders. They sent us the physical copy also. It is an excellent and fabulous copy Sir. You have made excellent copies of your photos along with all the products. You have made very good copies, so for that I am giving my best wishes to the entire CS team. The entire Secretary team fully supports us when we have to attend this online meeting via VC since the last 5yrs. They help us a lot. I am really thanking Rajesh ji and his entire team for their excellent work and also appreciate their good qualities wholeheartedly. Chairman Sir, I am congratulating you for the 76<sup>th</sup> AGM. Also you have won many excellent awards and I congratulate you for the company's excellent hard work. You have still held your name high in the market even today. All customers are very confident on Blue Star and are very happy with this product. The name and the power of the company will be great because you have chosen Virat Kohli as the brand ambassador. Vir ji, you have always been very hard working, so in the coming 4 years, I am sure that our company will grow and prosper by leaps and bound and make excellent progress. This is my full confidence in you. Sir, we are attached with you since your father's time. We are connected with you since those days when your meetings used to be held in Churchgate in physical manner. I have always supported you since many years. So even today, I support all your resolutions wholeheartedly. My best wishes are also always with you. So as your shareholder sister, I am blessing you and giving you my best wishes.

*Har subah ka ujala apke saath ho  
Sari khushiyon ka khazana sada apke paas ho  
Aap hamesha safalta ki manzil chadhate rahe*

- Always remain healthy and keep smiling – this is what I bless you with from the bottom of my heart. I want your future to be very prosperous. May you be blessed by Riddhi Siddhi. On the auspicious occasion of Shravan, today being the 1<sup>st</sup> Tuesday, I pray to Siddhivinayak ji for you and ask Him to give you all my best wishes. Lastly Sir, last year you conducted the 75<sup>th</sup> AGM of your company. You should have held a physical AGM so that we could have met you physically. But no problem Sir. One visit is pending Sir. Since 5yrs. you are only meeting us via VC medium. You are moving ahead with all this excellent

work, then why have you kept us shareholders away from you Sir? So please arrange for a small get together at least. Sir, I have one request, please arrange for a visit to the company and plant after Diwali. You also accompany us so that it becomes a small get together with you and our wish of seeing you and meeting you face to face gets fulfilled. So Sir, please accept my request. With all my support to you along with my best wishes to you for all the festivals, I thank you with all the best wishes. Sir, please hold on. Bharat Shah will talk to you. Thank you Sir.

- **Mr. Vir S. Advani – Chairman & Managing Director, Blue Star Limited:**

- Thank you.

- **Mr. Bharat Shah – Shareholder:**

- Respected Chairman Sir, Vir ji, Vir Advani ji, other members of the Board. First of all, I would like to welcome you as the Chairman of the company

- **Moderator:**

- Mr. Shah, go ahead.

- **Mr. Bharat Shah – Shareholder:**

- Can you hear me?

- **Moderator:**

- Yes, please go ahead.

- **Mr. Bharat Shah – Shareholder:**

- I will not take much time. I will take only 2 mins. I also welcome the 2 new directors who have come, Murlidhar ji and Vipin ji. I have been your shareholder since many many years, right from the time of your father. And you are running the company really well. You have always taken care of the shareholders. You have given them the best returns Sir. So I thank you for that. You have even given us bonus from time to time. you have even given us dividend from time to time very generously. So thanks a lot for that. You are taking the company ahead very fast. So I give you my best wishes for that. I pray to God that our company prospers by leaps and bounds in this manner only. If possible, do let us know about your 5 year future programs. Also many congratulations and thank you for all the awards and recognitions. CSR activities are related to humanity which is going on fine. I give me best wishes for that. Thank you Sir. Since the company has completed 75yrs., so please arrange for a factory visit so that we too can meet face to face. I genuinely request

you to arrange a factory visit. I am eternally grateful to Company Secretary Rajesh ji along with Shruti, Ankit from his team and the entire CS team. They are giving us the best investor services Sir, so I give them my best wishes. They always respect the shareholders, solve any query of the shareholder, provide us with the best investor services, so I thank the entire Secretarial team very much. Next year, definitely keep a face to face meeting. We have not met since 5yrs., so we will get a chance to meet now. I pray to God that may your health remain fine and may our company prosper. I support all the resolutions Sir. Thank you very much. Jai Shri Krishna! Jai Hind! Thank you! jai Shri Krishna!

- **Mr. Vir S. Advani – Chairman & Managing Director, Blue Star Limited:**

- Thank you.

- **Moderator**

- Thanks you Mrs. Smita Shah. Thank you Mr. Bharat Shah. I will now invite Mr. Praful Chavda to speak. Mr. Chavda, we can see you and hear you.

- **Mr. Praful Chavda – Shareholder:**

- Can you hear me?

- **Moderator:**

- Yes Sir.

- **Mr. Vir S. Advani – Chairman & Managing Director, Blue Star Limited:**

- Yes Sir.

- **Mr. Praful Chavda – Shareholder:**

- Thank you Sir. Chairman Sir, you have given many products in ETS. It is the 76<sup>th</sup> AGM but you are entering into a new decade of 80yrs. So my best wishes for that. You must be praying to God to keep increasing the heat. The heat is really increasing too much. The one who doesn't want to buy is also buying an AC. They do something for the coolness. We have to buy products to remain cool. So our business is going on fine. There are good photographs of the units. The photographs are such that there is no need for a visit, plus you have given photos of all the products. On page no.26 to 33, nice photos have been given. This year too, one decade is beginning for us. Our total revenue is 9733. Just for a little amount, we couldn't reach 10,000cr. which is an achievement. CSR is doing good work Sir. Currently Olympic games are on. Many people are winning medals and coming, like either gold, silver or bronze. Why don't we gift these medal holders with our

company's products? Media will also come to know that we have given something to the medal holders. They should get something from us. I want to tell you one important thing. Please conduct a survey to find out why did a person buy a product of our brand? Did they buy seeing Virat Kohli? No one will say yes. If its Virat Kohli, then you can make the worst products, abuse the customers, get rid of customers but they will still come back to you because Virat Kohli is there Sir. A man who is always failing, after every 10 matches, he wins one match, so is our product like Virat Kohli? If we buy 10 ACs, then is it that 1 will work and the remaining 9 will not work? Our AC is not like that. All the 10 will work, 100pc they will work. For 10yrs. they will work. What's the use of taking a man who has the money to buy your company also? I get so angry with this because Virat Kohli always gets out very fast, takes the name of the Indian team down. So please don't take such players. Take some good players. In lesser money, you will get 10 players. Take a poor player. These are all juniors. Take the son of an Army officer or the son of a father who has fought in Kargil war. Take poor players. They can also hit 4s and 6s. So take them. If you want a cricketer, then you can take a lady cricketer also. They also win World Cups and play well. They can also say, "Buy this and buy that," That is what I feel. That's why I am saying, please conduct a survey. No one will say that we buy the products because of Virat Kohli. On page no.74, you have given a photograph. I cannot see the photographs of products. I wear specs, I am 71yrs. old. But I can see Kohli. Is Kohli's publicity going on here or is it the company's publicity? SO I have this confusion. When you put up your photos in big big cities, you also put Kohli's big photo and small photos of your products. Then we come to know whose publicity is going on? We must know. If you ask small children, they will say that Kohli is getting publicized. They are saying that Kohli is a good countryman. Your products are not seen. So please think about this. I am very happy with the Company Secretary and his team. They keep calling us to remind us about the meeting and that we must attend it. Thank you Sir.

- **Moderator:**

- Thank you very much Mr. Chavda. I now invite Mr. Dinesh Gopaldas Bhatia to speak.

- **Mr. Dinesh Gopaldas Bhatia – Shareholder:**

- Hello! Can you hear me?

- **Moderator:**

- Sir, we can hear you. Yes Sir, please go ahead.

- **Mr. Dinesh Gopaldas Bhatia – Shareholder:**

- Chairman Sir, I would first like to thank you and your team. Thank you. You all are doing very good work. You all are working very hard, which is reflected on our share price. If you go to see, the share price of our company is at 1557rs., it closed at this number. Our



Rs.2 share is now closing at Rs.1557 in the market. This is showing our progress. We have profited a lot. If you see the price of this share on 7<sup>th</sup> - 8<sup>th</sup> October of last year, it was half of this at Rs.751. So the price is at 750-751rs. It has doubled in 1yr. This shows your hard work. So I want to thank you and your entire team for this. Congratulations! You all are doing very good work and the company is progressing very well. I am very happy to see that I am a shareholder of such a good company. It has completed 76 years. As my previous speakers told you, please arrange a visit or some celebration for the 76<sup>th</sup> year. This will make us happy. Right now also I am happy, very happy because the price of our company's shares have doubled. I got 100 percent profit in one year. We are there since many years, that has definitely been profitable. Rs.10 share became Rs.2 share with 5 times more. Now the price has doubled. So great work by you all. It shows your hard work. I just wanted to ask you. Someone has been hospitalized in my family. It's been a big accident so the expenditures are very high. Is it possible to get a donation from the company? Will you directly pay the hospital? Whom do I need to meet for that, please let me know. Rest, I give my support for all the other resolutions. Like my previous speakers have mentioned already, like you all value your shareholders but your Company Secretary and the secretarial team also values us. They requested us yesterday and today to join the meeting. So I feel very good. I had to attend 4 meetings simultaneously but your Company Secretary requested us so nicely that I left the other 3 meetings and continued with this meeting. We must meet the people who value us. Thank you for giving me an opportunity to speak. I am Dinesh Bhatia from Mumbai.

- **Moderator:**

- Thank you very much Mr. Bhatia.

- **Mr. Vir S. Advani – Chairman & Managing Director, Blue Star Limited:**

- Thank you.

- **Moderator:**

- I now invite Mr. Bimal Kumar Agrawal to speak.

- **Mr. Bimal Kumar Agrawal – Shareholder:**

- Hello! Sir, we can hear you. Yes, we can hear you, please go ahead.

- **Mr. Bimal Kumar Agrawal – Shareholder:**

- Thank you. First of all, I thank the Company Secretary and his team, very good team. Even the other people have said about the team. Very good team. Sometimes we get fed-up but they don't get fed-up in calling us, very good team. Sir, you have given a very good

speech. I want to know who all are our competitors. I don't want to waste anyone's time now. Questions were already raised by the other speakers and I also thank the moderator for calling my name. That's all from me. Thank you very much.

- **Moderator:**

- Thank you very much Mr. Agrawal. I now request Mr. Dilip Kumar Das to speak. Mr. Das, kindly unmute your microphone, switch on your camera on if you so desire and speak. Mr. Das? Mr. Das, kindly unmute your microphone. Yes Sir, we can see you now. Your microphone is still on mute mode Sir. Mr. Das, we cannot hear you. I think, there is a connectivity issue with Mr. Das. Let's move on to our next speaker shareholder, Mr. Anil Babubhai Mehta. Mr. Anil Babubhai Mehta, please unmute your microphone. Mr. Anil Babubhai Mehta, can you kindly unmute your microphone and speak. Mr. Mehta. Ok, let's move on to our next speaker, speaker no.9, Mr. Hiranand Kotwani. Mr. Kotwani, we can see you.

- **Mr. Hiranand Kotwani – Shareholder:**

- Ya, am I audible?

- **Moderator:**

- Yes Sir.

- **Mr. Hiranand Kotwani – Shareholder:**

- Am I audible?

- **Moderator:**

- Yes Sir, please go ahead.

- **Mr. Hiranand Kotwani – Shareholder:**

- Namaste! It's a great pleasure to join you. Jai Jhulela! Sir, one thing is missing in your balance sheet - the photo of Mr. Mohan Advani. He was the pioneer. So in the initial pages, the historical background should be given. I read it for the whole night till 3-4am for 2 days, very good balance sheet. I have had a bad experience with your secretarial department. This year they called me and reminded me well but in the last 2-3yrs., my experience was not good. I had issues with my physical shares. I had so many shares in physical form even with my family, Mahesh Kotwani and other Kotwanis hold the shares. So there was a problem but they were not accessible. They didn't help on time. So please note that they should be available to the shareholders particularly to those who are

interested. Your working is good. All is well. I used to criticize Tata and all but there is no room to criticize here. Vir means brave. Vir, certainly best wishes for the future. You will always remain with a great name and fame also. How are you working on the export front? How do you want to increase our export presence at the world global level footprint and earning foreign exchange for the nation? Nothing more to add, just good wishes. I have not visited your factory because when they had called me, I was busy. So if there is any visit, then do call before. Thank you Sir, good luck.

- **Moderator:**

- Thank you Mr. Kotwani. I now invite Mrs. Celestine Elizabeth Mascarenhas.

- **Mrs. Celestine Elizabeth Mascarenhas – Shareholder:**

- Hello?

- **Moderator:**

- Hello mam, we can hear you.

- **Mrs. Celestine Elizabeth Mascarenhas – Shareholder:**

- I think I am visible also.

- **Moderator:**

- Yes mam, please go ahead.

- **Mrs. Celestine Elizabeth Mascarenhas – Shareholder:**

- Ya. Respected Chairman & MD, Vir S. Advani, MD B. Thiagarajan, other members of the Board, my dear fellow shareholders, I am Mrs. C.E Mascarenhas. I am speaking from Mumbai. First of all, I thank the company secretary and his team for sending me the annual report and also, registering me as a speaker at my request. Thank you so much. And giving me this platform also to speak. Annual report is very beautiful with all the gadgets. It is a treat to see the annual report. And at the same time, lot of figures and facts and self-explanatory adhering to all the norms of corporate governance.

- Our revenues are up, PBT and PAT up, a good dividend of Rs. 7 per share also, we have received a bonus of 1:1, a good market cap. Next is congratulations for all the awards and accolades as given in the annual report. Good CSR work.

- Now my queries. Have we listed ESG on any dedicated ESG platform whether domestic or international? And what is our rating score? Next question is, we are the market leader

in all our products. Where do we have a great market share than others? We are in air conditioners, commercial refrigerators - those pictures are all shown 26 to 30 or something. We have even a portable AC. Sir, I would like to know what the market share is, because this can be carried anywhere and what is the price of this portable AC? Next question is, we have manufacturing units at Wada Dadra, Himachal Pradesh, Ahmedabad, Sai City. Here, I would like to know what the average capacity utilization is. Next question is, we have applied for 46 patents for innovations. What is the status of those 46 as only six are granted?

- Remaining, many previous speakers also spoke and further also will be asking. I support all the resolutions. I know our company has always been rewarding. And it will always reward in the future. My request is we would like some discount coupons like the portable AC or something like that; if you can do it. With this, I thank you so much for giving me this patient hearing. And, I support all the resolutions. I wish all of you all good health, as health is wealth and till we meet in the next year. Thank you very much.

- **Moderator:**

- Thank you very much, Ms. Mascarenhas. Speaker number 11, Mr. Manoj Kumar Gupta has not logged in for the meeting. So we move on to speaker number 12, Mr. Manjit Singh.
- Mr. Singh, could you kindly unmute your microphone and speak.

- **Mr. Manjit Singh – Shareholder:**

- The management present in the AGM of BlueStar, the king of cooling, secretarial department and my co shareholders, I welcome all of you. The results of the quarter gone by for the period of April – June has been really good. We all hope that even in the upcoming three quarters, our results will be good and that the earnings per share will increase. Sir, considering the upcoming two quarters....there is still a requirement to cool our houses as it is still hot, and it is during these quarters we have the festival and wedding season, there is an increase in the purchasing pattern. So can you tell us regarding the status of our order book; has it increased?
- Regarding our plant capacity, are all the plants running in full capacity? Is it able to meet the demand in the market? I would like you to throw some light regarding the same. The heat during the summer that went by, I don't think anybody else apart from us North Indians can tell you how bad it was. I am staying in Delhi and the temperature this time has touched record levels. It went up to 50 degrees. And I am sure this would have been the case in Rajasthan as well. So we spent on research and development. I would like to know how much out of our total income do we spend on research and development. Keeping in mind the heat that we faced, I think you should manufacture your products considering it. If you can brief about it to the shareholder, it would be nice.

- The secretarial department has put in a great effort to help us connect with you. For that, I would like to thank them all. Sir, can we have some buyback of shares? I feel our promoter holding is a little less. So are you thinking of any buyback of shares? Request you to also speak about it. The investors have faith in the company. The BSE code for the company is 500067 and our symbol is BLUESTARCO. we invest in it and considering how the management is working, we can see that we are getting good results. And in the upcoming years, we expect you to continue with the same performance. We expect you to continue working hard with a smiling face and briefing the shareholders on time. The results of which would increase by day and night.
- I would like to thank the secretarial department and the moderator. And all those people who worked to bring the management and shareholders together. Thank you to the management team, thank you to the secretarial team.
- **Moderator:**
- Thank you very much, Mr. Manjit Singh. Our next shareholder number 13, Mr. Manoj Kumar Natholia has not logged in for the meeting. So we move on to Ms. Vasudha Vikas Dakwe.
- Ma'am, could you kindly unmute your microphone and speak?
- **Ms. Vasudha Vikas Dakwe – Shareholder:**
- Respected Chairman Sir, Board of directors and my fellow shareholders, myself Vasudha from Thane. I would like to congratulate our company secretary team for sending me the soft copy of the report well in advance which itself is clear and transparent. The opening speech given by the Chairperson is also very informative and excellent. Most of the question was asked by my previous shareholder. I would like to ask only one question. What is our attrition rate?
- With this, I support all the resolution. Thank you very much. And wish the company all the best for coming financial years. And my best wishes for coming Ganapati, Dussehra and Diwali festivals. Thank you, sir.
- **Moderator:**
- Thank you very much, Ms. Dakwe. Our next speaker number 15, Mr. Ramesh Sankar Gola has not joined the meeting. But we do have Mr. Anil Babubhai Mehta, speaker number 8, who had a connectivity problem earlier. I'll request him now to go ahead and speak.
- **Mr. Anil Babubhai Mehta – Shareholder:**
- Thank you very much for giving the chance. Sir, good afternoon. This is Anil Mehta attending this meeting from my residence Kandivali in Mumbai with my family members. They're also the shareholders of the company. We have a few questions. Question

number one - with increased globalization, what has the company done to increase the international 1.10.39 of knowledge and experience on the Board? Question number two - how does the management monitor intercompany transactions? Question number three - how does the company assess its liquidity and availability of the funding sources for operations? Last question - what is the company doing to improve the shareholders relations.

- Sir, we have one suggestion. Don't waste money to appoint any ambassador. Our name is enough. So, at least instead of appointing an ambassador, kindly give some discount to our shareholders, regular customers. With this, we are supporting all the resolution. And thanks to the secretarial department led by Mr. Rajesh Parte for the cooperation and supporting nature. All the best. Thank you, sir.

- **Moderator:**

- Thank you very much Mr. Mehta. With that, all shareholders who registered to speak at this AGM and did log in have given an opportunity to express themselves. Thank you very much, dear shareholders. Before the Chairman addresses your queries, a brief audio visual will be played.

- *Audio visual playing from 1.11.56 – 1.12.24*

- **Moderator:**

- I now request the Chairman to address the shareholders' queries. Over to you, sir.

- **Mr. Vir S Advani – Chairman & Managing Director, BlueStar:**

- Thank you so much to all the callers, thank you for taking the time to address us, we appreciate it. Because there's an overlap, so I'm going to try and go in the best way I can. I think I should be able to answer all your questions and comments.
- I think the biggest one was all the appreciation with our secretarial team. So congratulations to Rajesh and team. You all have done a great job. Everyone has all praised and to the shareholders, we always appreciate the praise. It's what keeps the secretarial team going. So, thank you for that. We appreciate it.
- There was a question about, I think some confusion about the number of permanent employees and workers that should read as permanent employees. So that should be clear.
- There was also a question about we only have about 10% female employees. Why is it so low and what we're doing about it? You're right, 10% is well below the target that we have in the company. But you do know we are an engineering company and a manufacturing company, so we do expect to have a lower percentage. But nevertheless 10% is below our own internal target. We are doing a number of initiatives in the company

to improve the diversity that we have. One, for example, is that all the fresh engineers and MBA students and fresh college graduates who join us, a minimum of 50% of them are women and we're trying to see how to improve that further. We're also taking various initiatives to help increase the number of women in management positions because it is extremely important that we get diversity even at that level. We are working on that and hope to bring that up to double digits as well. And, we also have a new initiative of bringing women into the worker workforce as well in our factories and in our job sites. I'm happy to inform you that we made a lot of progress in our Sri City plant and are now attempting to do the same in all our factories. We are a light manufacturer and therefore we should be promoting many more women to be looking at being employed in the factories. I assure you that we will continue to work hard on this and look forward to updating you on this number and improving it as we go forward.

- Next question was, when we will achieve net zero. I think we're very far away from that goal. We have, however, taken up a number of initiatives in the company to improve energy efficiency, to reduce energy consumption and manage our overall sustainability. You would have hopefully seen that in the annual report in a number of areas. Sustainability is a strategic objective for the company and we will continue to work on it. I think we need another two years before we are able to finally declare a net zero date. Please bear with me till then. I know that it may sound like a long time, but I want to assure you that we are continuing our journey towards net zero, even though we have not announced a final date. And as soon as we have the confidence of that date, we will be sure to inform all shareholders.
- There was another question on CSR activities. So there are two areas of CSR. One is, I'm happy to see the appreciation that several shareholders have shown of our CSR activities. But there was a question about how much we're spending. There was also a question about whether we're doing an audit. So, just to let you know, last year, FY24, we spent 4.7 crores. And this year we're expecting to spend more than 7 crores; that's the spend. The activities, of course, have been shown in the annual report and those are clear. As far as a CSR audit is concerned, yes, we will be undertaking one in the coming financial year and we'll certainly report back to the shareholders on the outcome of that audit. But we are confident that it will be a clean and positive audit.
- There was a question about what new products we will be introducing or have introduced in the market. You may have seen some of them in the annual report again, but some of the ones that come to my mind off the cuff, we have a new product portfolio for data centres in India. You know, that is a large and growing industry, and so we expect to gain a lot of market share in data centres. We also have a new set of chillers which are to be used in process industry. These are low temperature chillers that are used in chemicals, plastics etc. And therefore, so that is a new segment that we will be addressing. We also are, of course, you know, we are present in the residential market mainly with mini splits and cassette units. We are now present in the residential market with what we call VRF systems, which are high efficiency central air conditioning systems. These will be used

more by the high end residential market and we are ready with that portfolio and are excited about that new entry. In our commercial refrigeration business, we have expanded our portfolio of deep freezers. We now manufacture an entire range from 60 litres all the way up to 600 litres and these are both used in commercial as well as residential applications. Those are some of the new products. We will keep innovating and introducing new products as we go forward.

- There's a question on cyber security and actions that we were taking. We take this subject extremely seriously. I want to assure you that a large amount of our IT budget is dedicated towards cyber security. We have who we believe to be some of the best partners in this area as well as we have a number of redundancies and a very robust backup plan and a business continuity plan. So you should be rest assured that we are protected to the extent we can. However, we remain very vigilant about cyber-attacks because it has become very common in industry.
- There were several requests for physical meetings. We continue to evaluate the option of physical versus virtual. This year we chose virtual. I think it was the right decision. Given the weather in Mumbai, it would have been difficult for even local shareholders to come all the way to Churchgate, let alone our outside shareholders. I also mentioned to you in my opening remarks that the number of shareholders that we now have has grown by about 80% and a lot of these shareholders are from outside Mumbai. And so we did take that into consideration. But nevertheless we will continue to review this. I appreciate the sentiment about wanting to meet in person. All of us Directors would be very happy to meet you in the near future in physical when possible.
- There was a request for a factory visit. I know that is a long standing ask. What we had requested you last year is that it remains this year. We are in a very significant Capex cycle, adding capacity in all our factories. It becomes very difficult to bring visitors to these factories when they are under construction and there is expansion going on. So please give us some time and we will come back to you.
- There was a question around doing customer surveys to find out why people buy Blue Star products. I know one of the shareholders was unhappy with our spend on Virat Kohli. I want to assure you that we do very in depth customer surveys regularly. We are trying to address and encourage the participation of youth in our purchasing process, and nothing resonates with the youth as much as cricket does, especially all the way from the north of India to the south of India. And so we do prefer to do cricket and Virat Kohli is a fantastic role model and we do get a big benefit out of being associated with him. But nevertheless, I know there are differences of opinion, and that is fine. But the company ensures that we do a very thorough customer survey before making any investments of any kind in the brand and promotion.
- There was a question about who our competitors are in the market. That's a broad question. As you know, we operate in everything from the small residential market to very large industrial air conditioning. So the competition is different in different segments



that we operate in. But you will understand that this is a largely multinational dominant industry in India, and your company is one of the handful of Indian companies, Indian origin companies, that continues to stay relevant and compete in the market and win in the market. So we, of course, keep very close watch on the competitive landscape and assure you that we are in very good shape going into the future.

- There was a very valid comment about the fact that we have not put a photograph of MTA in the annual report. Your point is very valid and we'll take it for the future.
- There was a question about exports and our presence and our plans, and it appeared a couple of times. We have explained that we have two different strategies for exports. One is in the Middle east. We are building the Blue Star brand. That is, by exporting largely commercial air conditioning equipment like VRFs and chillers, inducted systems. These are sold in the GCC, in North Africa and in our South Asia region under the Blue Star brand. That business is growing. Of course, it is going to take much more time to expand, but we continue to invest there. The other part of the business is exporting to the US and to Europe, where we do not sell under our own brand, but we actually partner with air conditioning and refrigeration companies in those markets and design and manufacture products that then get exported. Today, our exports go all over Europe, into the Netherlands as well and in North America.
- Several of you all recognized all the awards that the company has won. We thank you for that. It's a big effort in the company to make sure that we keep benchmarking ourselves with our competition and knowing what is happening globally. And so that's an effort around that.
- There was a question about ESG ratings, whether we have done one and whether we will do one. We have not done one as yet. We intend to do it in the near future, either this year or next year. We will report back to the shareholders once we have done the ratings.
- There was a question about portable air conditioner. I'll ask our secretarial team to get back to you with that information, if that is okay.
- There was a question about average capacity utilization. Again, it varies across factories, but we are approximately 75% capacity utilization. But there's a lot of expansion going on as I mentioned. So, this number may come down.
- There's a question about patent applications and the 46 that we have applied for and the status. They are at various stages of getting approved. You may know that the patent process is quite detailed and long. And of course, we continue to follow up. But this is a very long term initiative of ours. We should not look at the current numbers. I think maybe we should challenge ourselves 10 years from now as to how many we have added by then.
- There was a question about R&D spend. Last year we spent Rs. 143 crores, which is a combination of Capex and operating expenses. That number is about 1.5% of revenue and

is expected to grow faster than our revenue is going to grow. Lot of investment going there, as you would have read in the annual report.

- Question about whether we are considering any buyback. As you know, we have just raised fresh equity not even a year ago. And the objectives are to invest in Capex and in the future of the company. So as of now, our intention is to continue to invest in the company. We have no plans for a buyback.
- There's a question about attrition rate. At junior levels it will be at the industry level of 15% to 20%. At senior levels we tend to do better than the industry. Maybe 10 to 15%. At the senior most leadership level it will be extremely low. We continue to do a number of initiatives in human resources to attract and retain the best talent in the industry. And I want to assure you that we are doing extremely well and we would be the preferred employer in our industry for sure.
- There were a few questions about how we assess the liquidity in the business and what our process is for it. I want to assure you that we have a very robust process. We do monthly tracking of cash flow and working capital requirements and Capex requirements. We have a very in depth review mechanism that runs in the organization from top to bottom. And we are always making sure that we are projecting our cash requirements at least 6 to 12 months in advance. We've been relatively successful. That was one of the reasons why we raised the equity we did last year in order to plan for the expected cash requirements.
- There was a question about intercompany transactions and how it gets monitored. The audit committee monitors this extremely closely, both the audit committee of the parent entity as well as the audit committees of our subsidiary companies. I think you will agree with me that we have a fantastic track record on ensuring the highest level of transparency and that is how the organization is run.
- There was finally a question about technical knowledge improvement and how we will keep up with the international market and world. You're certainly right. The air conditioning and refrigeration market globally is undergoing significant technology changes, with sustainability measures coming, with regulation coming. That is the reason why we invest so heavily in R&D and in product management, because we want to stay ahead of the curve as far as both as the refrigerants are concerned, energy efficiency is concerned, and of course global warming.
- So with that, I think I would have gotten all the questions. In case I have forgotten any, I apologize. Our secretarial team will be sure to follow up with you and get your answers. But with that, I think I'm done with answering the questions.
- So with that, we come to a close. Thank you shareholders for your valuable comments and questions. I trust we have satisfactorily answered all the questions, or at least most of them. And we have taken due note of your comments. The e-voting facility shall remain

open for the next 15 minutes. Members who have not cast their vote are requested to do so now. Since all businesses, as per agenda, have been transacted, I declare the meeting as concluded, subject to completion of e-voting by the shareholders present through video conference. The scrutinizer shall present a consolidated report on remote e-voting and voting at the AGM within the statutory timelines. I therefore authorize Mr. Rajesh Parte, Company Secretary and Compliance Officer of the company, to announce the results of voting, submit the voting results to the stock exchanges. The results shall be placed on the website of NSDL, Company and be displayed at the registered office as well as at the corporate office of the company. I thank all of you for attending. Be safe and stay healthy. Thank you so much. Bye.

- ***E-Voting***