



**BLUE STAR**

# Blue Star Limited

## Investor Presentation



- India's leading air-conditioning, commercial refrigeration company and MEP contracting company
- Total Revenue: ~ Rs. 4500 crores
- Employee Strength: 2700
- Network of 35 offices; 4000 distribution point, 2200 dealers, 600 retailers
- Presence in 19 international markets in the Middle East, Africa and South Asia
- 5 modern manufacturing facilities
- Comprehensive solutions for corporate, commercial and residential customers

# 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



## Chairman Emeritus



Ashok M Advani

## Board of Directors



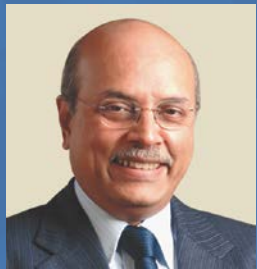
Suneel M Advani  
*Chairman*



Vir S Advani  
*Managing Director*



B Thiagarajan  
*Joint Managing Director*



Shailesh Haribhakti  
*Director*



Shobana Kamineni  
*Director*



Rajiv R Lulla  
*Non-Executive  
Promoter Director*



Pradeep Mallick  
*Director*



M K Sharma  
*Director*



Gurdeep Singh  
*Director*




Dinesh Vaswani  
*Non-Executive  
Promoter Director*



A group of business professionals in a modern office setting, silhouetted against a large window overlooking a city skyline at night. The scene is bathed in a blue light, and the city lights are visible through the glass. The professionals are standing and appear to be in conversation.

# Business Segments





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



# Electro-Mechanical Projects

- Design, installation, commissioning and maintenance of large central air conditioning plants
- Designing and execution of electrical, plumbing and fire-fighting contracting projects
- Execution of turnkey industrial projects
- Blue Star offers an unmatched advantage: Superior project delivery through intelligent engineering, modern execution practices, and committed teams



# Central AC Projects



- Expertise of over seven decades in system design, contracting, installation and maintenance
- Delivers expert turnkey MEP cooling solutions to a variety of customers in the corporate, commercial and industrial sectors
- Significant market share in segments such as Industrial, Infrastructure, Metro, Power, Hospitality, Education, IT/ITeS, Retail and Healthcare
- Superior project management capabilities resulting in on-time delivery, high project quality and seamless coordination at all levels



# Packaged Air Conditioning Solutions

- Complete range of energy-efficient packaged air conditioners and ducted split air conditioners
- VRF systems with Inverter as well as Digital technology
- VRF IV Plus, the first 'Made in India' 100% Inverter-based VRF system
- Driven by segments such as offices, education, industrial, showrooms, healthcare, hospitality, banquet halls and retail





# Central AC Products

- Highly efficient centrifugal chillers
- AHRI-certified screw chillers
- Flexible and energy-efficient scroll chillers
- Process chillers for industrial and non-comfort cooling applications
- Air cooled and water cooled variants





- India's largest air conditioning and refrigeration service provider, maintaining around 2 million ton of refrigeration equipment
- ISO 9001-2008 certified
- Handle over 1 million service calls a year
- Focus on service delivery quality through a Service Quality Assurance Group, Service Specialists' Group for high-end technical requirements



- Offers AC&R products, after-sales service as well as system integration in global markets in addition to contract manufacturing
- Markets addressed include Middle East, Africa, SAARC and ASEAN regions
- Product offering includes range of Room Air-conditioners, Commercial Refrigerators and Water Coolers
- Focus on building a larger international footprint by enhancing reach of distributors, channel associates in these regions and joint ventures
- International projects managed by the Company's international joint ventures in Qatar, Malaysia and Oman

# Market Opportunity

- The HVAC market in India is forecast to reach US\$ 3.97 billion by 2019
- Government propelled infrastructure investments is expected to drive growth in medium term.
- Sectors like Metros Rail, Healthcare, Education, Airports, Light industrial projects and commercial offices would see significant capital expenditure.
- Infrastructure investments in tier-2/3/4 cities like shopping malls, retail complexes, airports will further push growth.



# Some of our prestigious projects



Parliament House



Delhi Metro



Chhatrapati Shivaji International Airport-T2



JW Marriott



Microsoft



Tata Steel



# Some of our prestigious international projects



**AMCORP Trade Centre, Malaysia**



**Bank of Mauritius**



**Kuala Lumpur Grand Hyatt , Malaysia**



**Hotel Rehabilitasi, Malaysia**



**Civil Aviation Headquarters, Oman**



**New District Hospital, Qatar**





*Segment II*  
**Unitary Products**

# Room Air Conditioners

- Installed base of over a million units
- Products available in 3800 outlets in more than 650 locations across the country
- Focus on inverter technology and energy efficient products
- Focus on residential as well as corporate and commercial customers
- Aesthetics and low noise make our products widely recommended by interior designers and architects

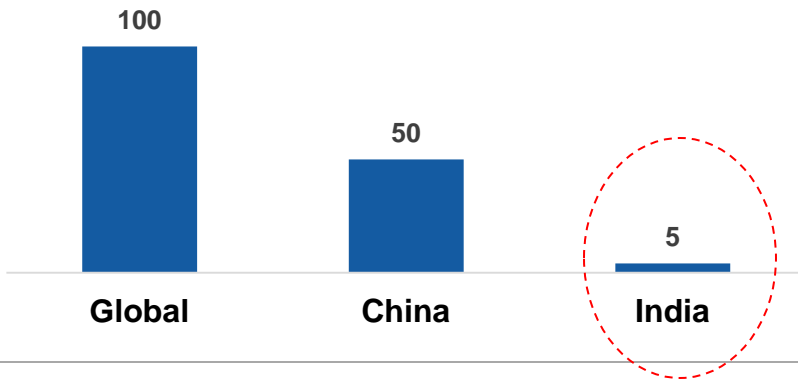




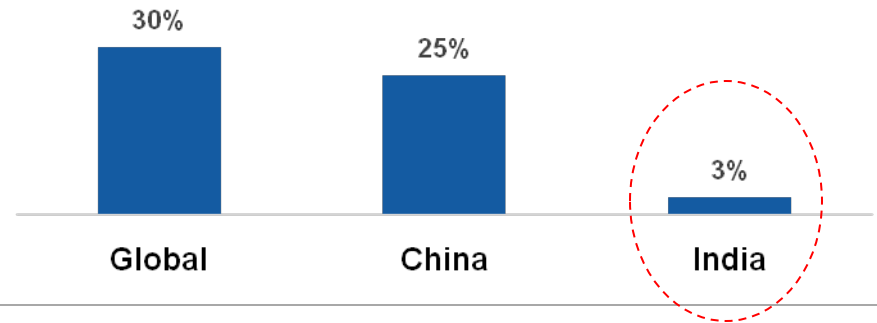
# Opportunity in Room AC market

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

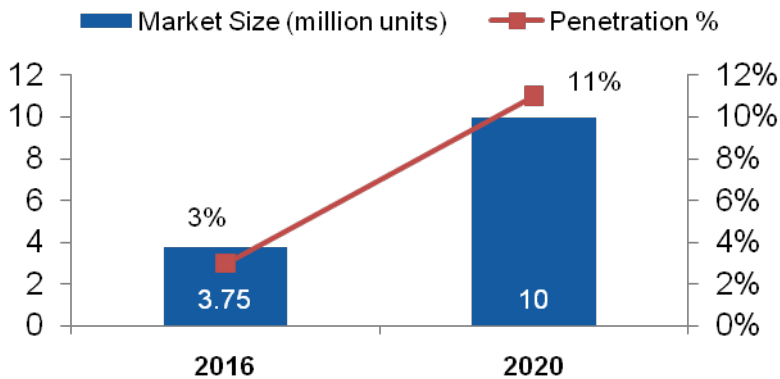
### Market Size [No. of units (in Mn)]



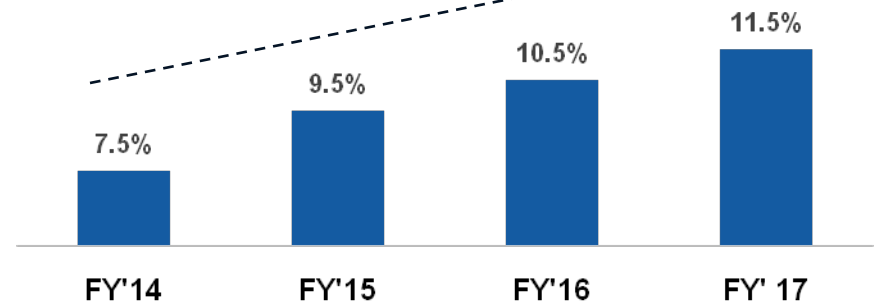
### Penetration %



### Future Growth



### 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
  - Storage Water Coolers
  - Bottled Water Dispensers
  - Ice Cubers
  - Cold Rooms





# Water Purifiers

- Recently forayed into the residential water purifiers business with a stylish and differentiated range
- Launched range of 13 models (largest by any new entrant in the category)
- Market pegged at about Rs. 4200 crores, increasing at a CAGR of 22%.



# Manufacturing Facilities

- 5 state-of-the-art, automated factories located at:
  - Dadra
  - Himachal (2 facilities)
  - Wada
  - Ahmedabad
- 2 modern plants at Samba, Jammu and Sri City, Andhra Pradesh in the offing



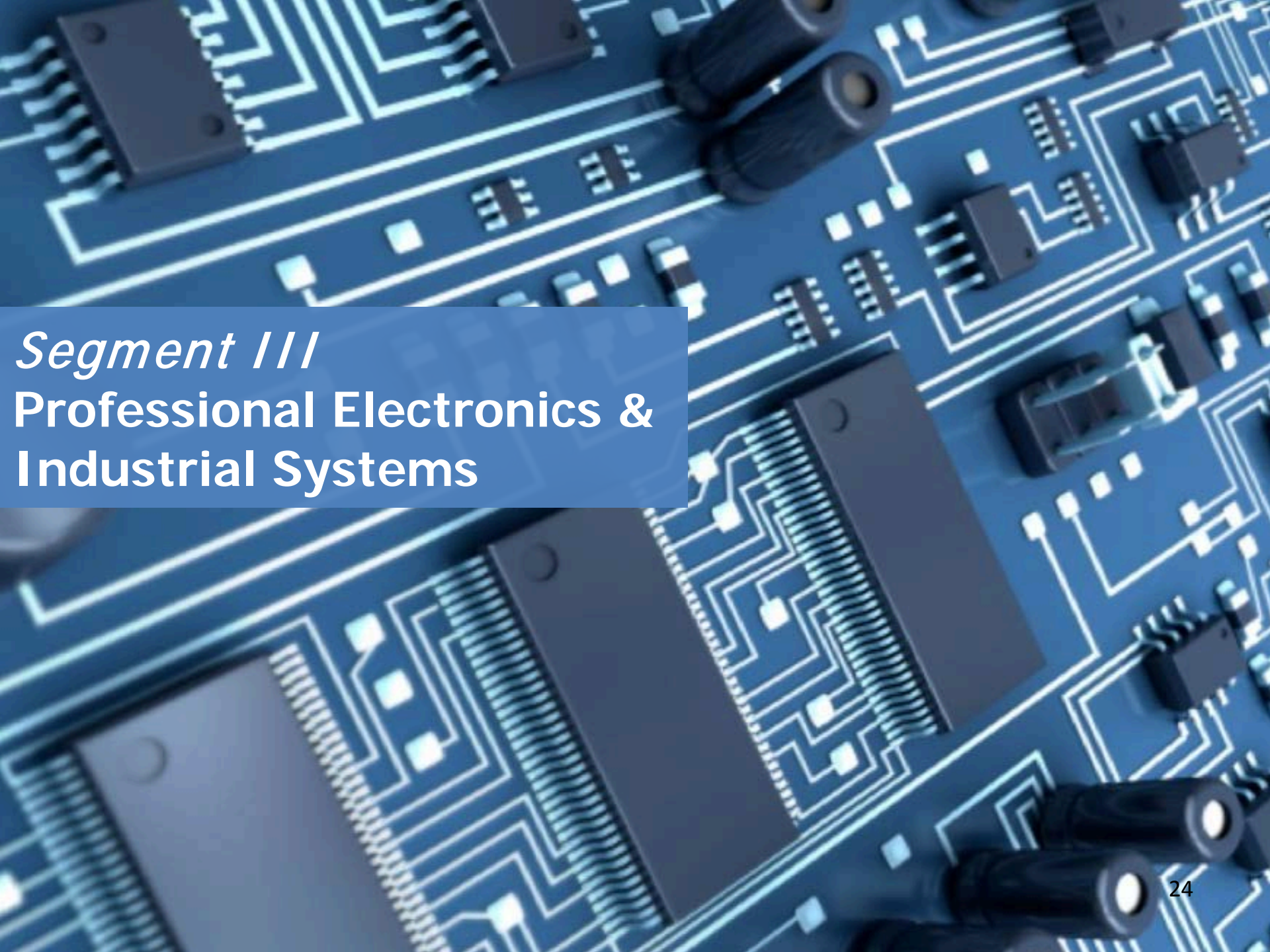
# Manufacturing Facilities

- Specialise in manufacturing a variety of highly engineered and custom-built products
- Manufacturing footprint of 1 lakh sq m
- Over 300 models manufactured across 25 product lines
- Lean manufacturing and world-class practices
- Wada factory certified as 'Green factory' – Gold category certification from IGBC
- Manufacturing excellence programme for continuous productivity enhancement



- High level of product development and testing capabilities with several patents for new breakthrough products
- Department of Scientific & Industrial Research approved
- Lab certification programme for facility upgradation
- Enhanced capability in reliability and electronics for digital and smart products
- In-house capacity for testing and certification for safety compliance
- Consistent investment in R&D to enhance company's product offerings and technical capabilities





*Segment III*  
Professional Electronics &  
Industrial Systems



# Professional Electronics & Industrial Systems



- Managed by the Company's wholly owned subsidiary, Blue Star Engineering & Electronics Ltd
- Business verticals include:
  - Industrial Products - Valves and Bagging systems
  - Testing Equipments
  - Security and Surveillance
  - Medical Equipments
- Evolved from being only a distributor of leading global manufacturers to a high end system integrator and value-added reseller

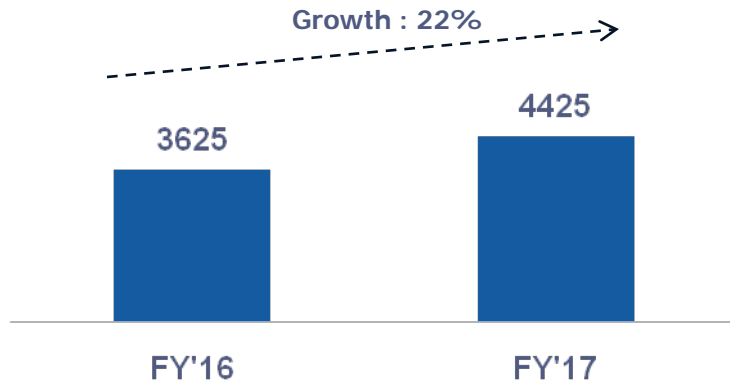


The image shows a group of business professionals in a modern office setting. They are silhouetted against a large window that offers a view of a city skyline at night. The buildings outside are illuminated, and the overall scene is bathed in a blue light. The professionals are standing and appear to be in conversation. A semi-transparent blue banner is overlaid across the middle of the image, containing the text 'Financial Performance' in white.

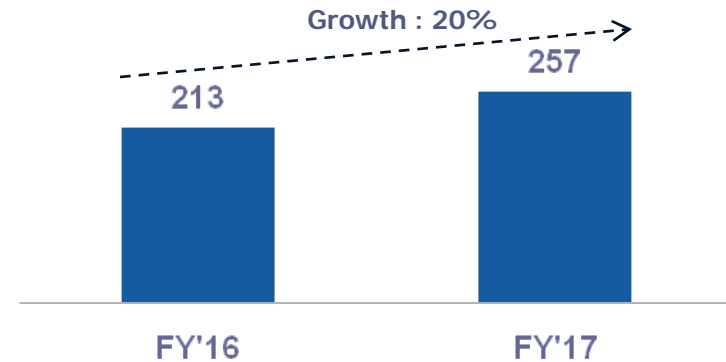
# Financial Performance

# Consolidated operating performance

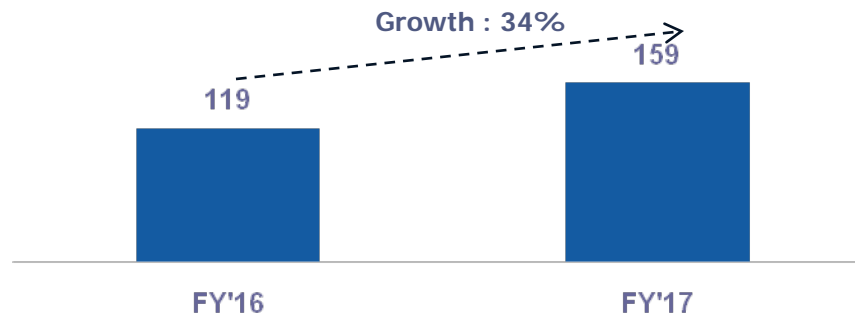
## REVENUE (Rs. Cr)



## EBITDA (Rs. Cr)



## PBT (Rs. Cr)

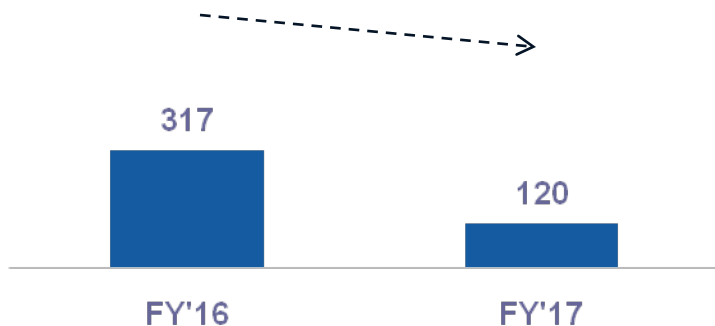


Note: Numbers of last year exclude BSIL operation for like to like performance

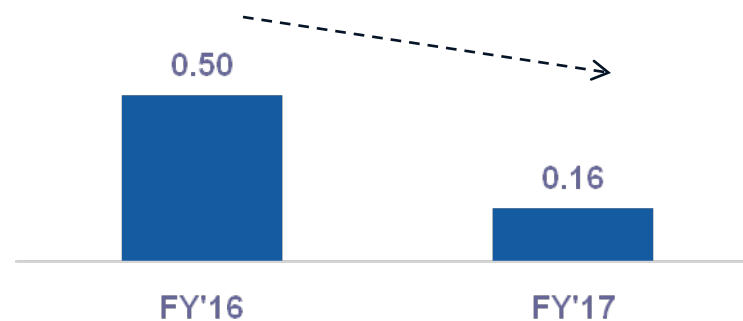


# Consolidated Balance Sheet indicators

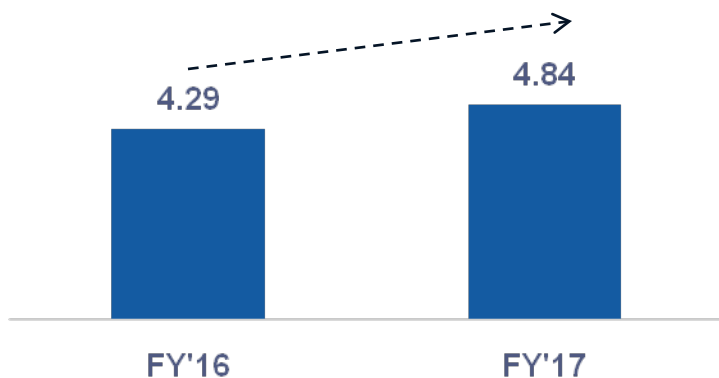
### NET BORROWING (Rs. Cr)



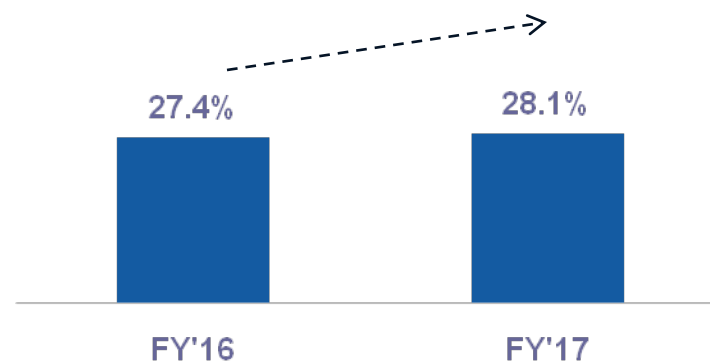
### DEBT / EQUITY



### CAPITAL TURNOVER

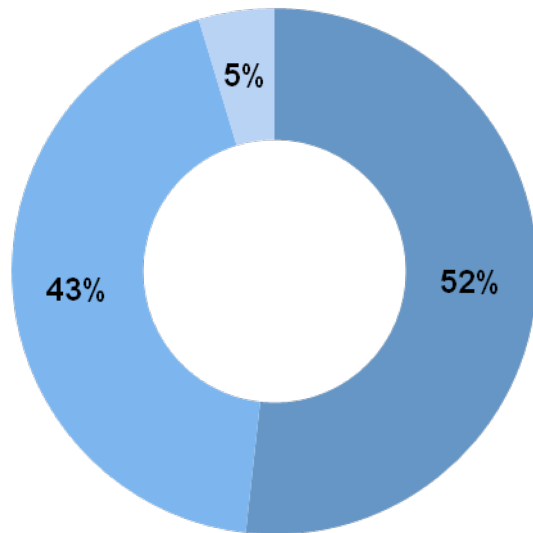


### RETURN ON CAPITAL EMPLOYED

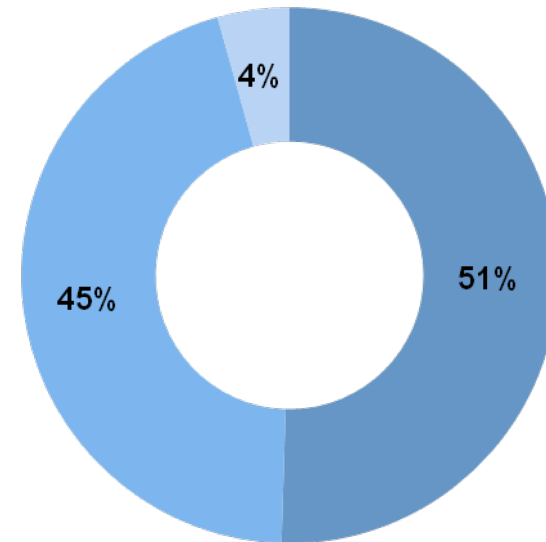


## REVENUE

FY'16



FY'17



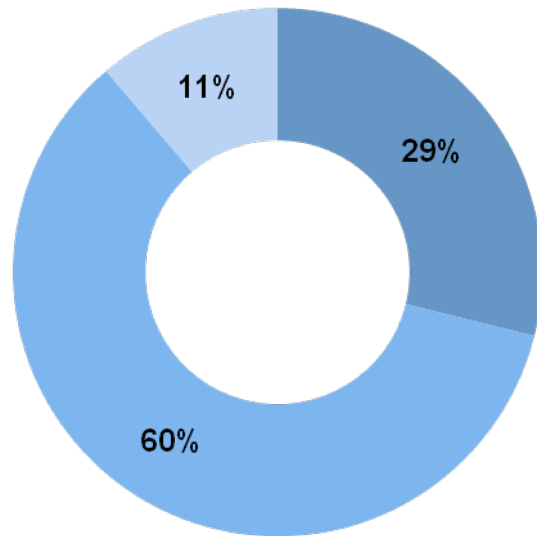
■ Projects ■ Unitary Products ■ PE&IS

Moving to a more balanced mix of Projects and Products business

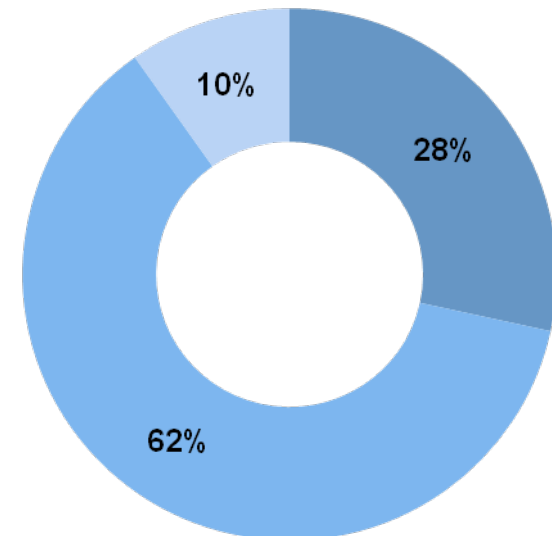


## Segment Result (EBIT)

FY'16



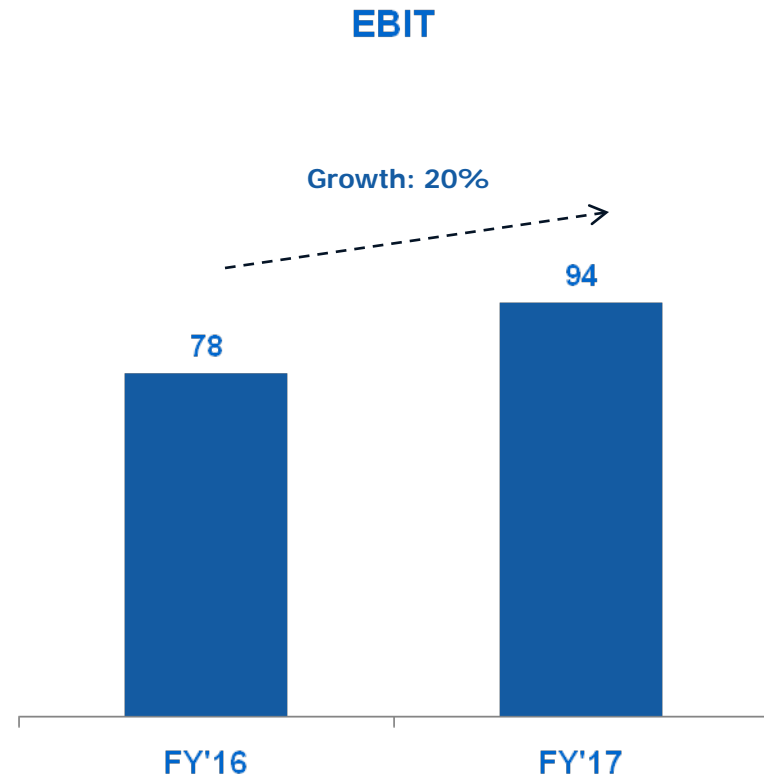
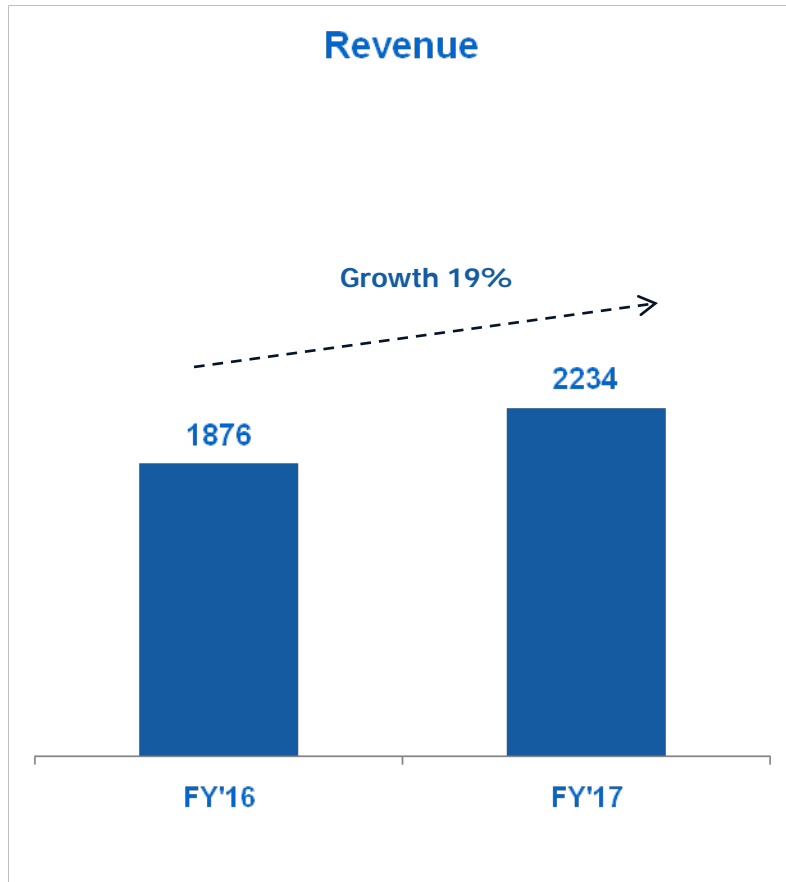
FY'17



■ Projects ■ Unitary Products ■ PE&IS

Moving to a more balanced mix of Projects and Products business

# Segment 1: EMP and Packaged Air-Conditioning system

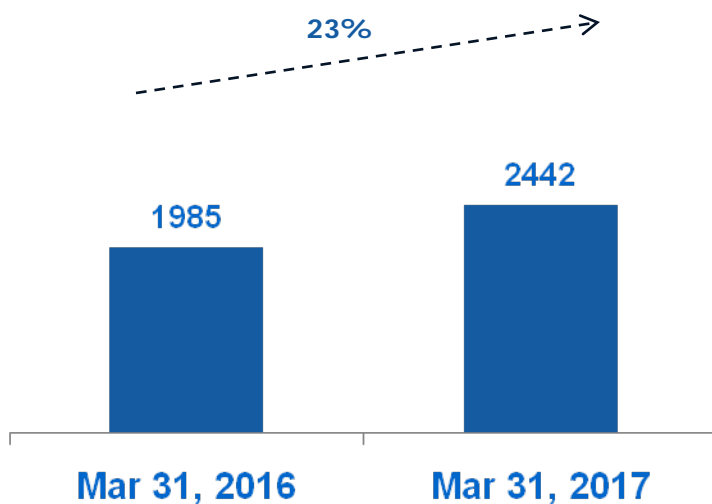


Blue Star continued to maintain its dominant leadership position in the integrated electrical mechanical service offering in India.

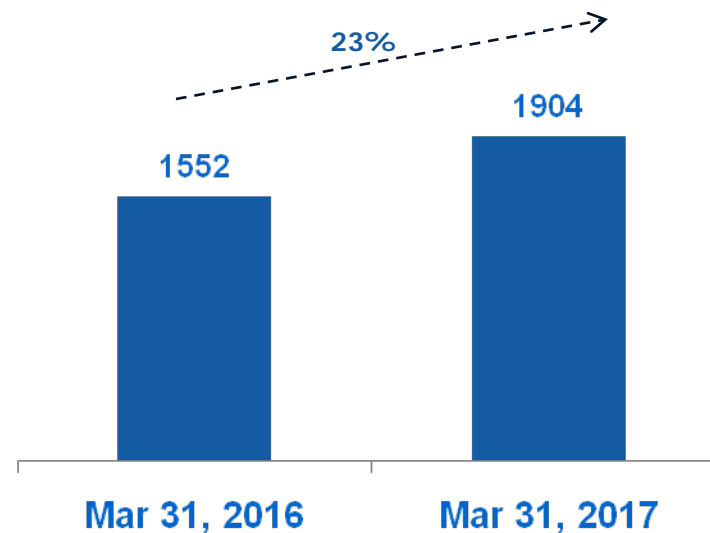


# Segment 1: EMP and Packaged Air-Conditioning system

## Order Booked



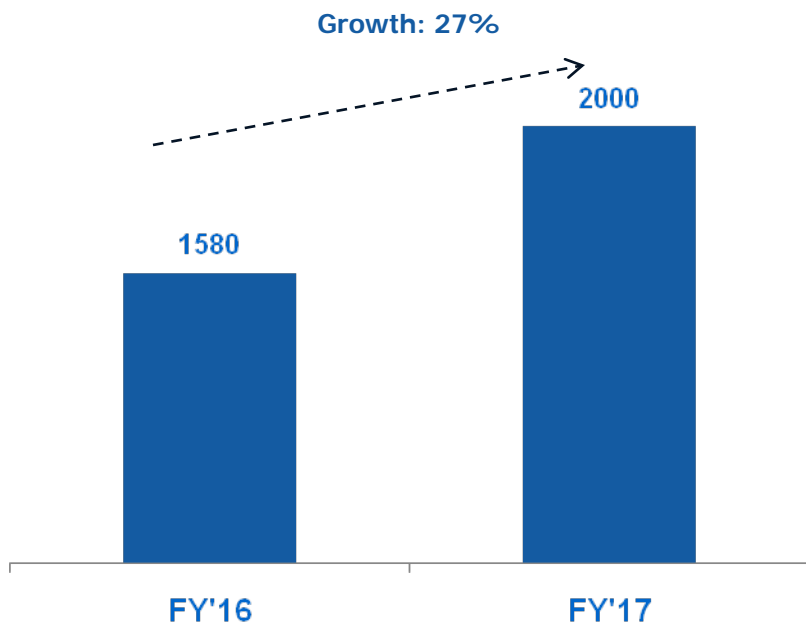
## Carry forward Orders



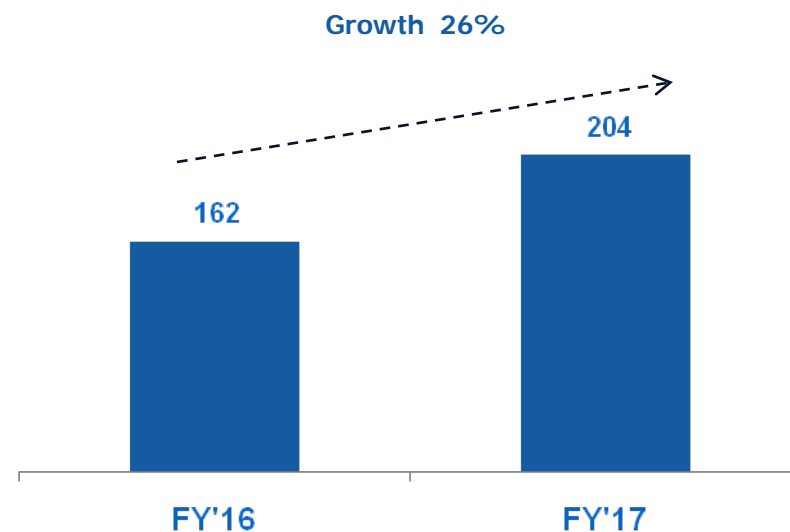
Healthy Order Inflows and Growth in Carried Forward Order Book

# Segment 2: Unitary Products

**Revenue**  
(in Crores)



**EBIT**  
(in Crores)



Impressive growth driven by the Company's strong brand equity and enhanced distribution footprint.





Thank you