



BLUE STAR

# Blue Star Limited

## Investor Presentation – Q1FY21

August 7, 2020



- India's leading air-conditioning, commercial refrigeration and MEP contracting company
- Total Revenue from Operations: ~ Rs. 5360 crores
- Employee Strength: 2885
- 5 manufacturing facilities; 32 offices; 3880 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 Awards, 2019 for 2 categories – (a) Excellence in Corporate Governance and (b) Corporate Ethics
- 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."**

## 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*



The image features a group of business professionals in silhouette, standing in a modern office with large windows. They are looking out at a city skyline with numerous skyscrapers. The scene is bathed in a blue light, and the office floor is highly reflective. A semi-transparent blue box is overlaid on the left side of the image, containing the text 'Business Segments' in white.

# 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, factories and infrastructure (Metros & Airports) 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
- Awarded 'MEP Contractor of the year' in Sep 2019.



# Commercial Air Conditioning Systems



- Complete range of energy-efficient Packaged and Ducted split air conditioners
- Innovative new generation Inverter ducted system
- VRF V Plus, the fifth generation VRF designed for Indian conditions and higher efficiency
- VRF IV S, Side Discharge system for Residential and medium sized commercial applications.
- Highly Energy Efficient Water Cooled VRF
- Highly Channelized Business – 525 dealers in 175 towns



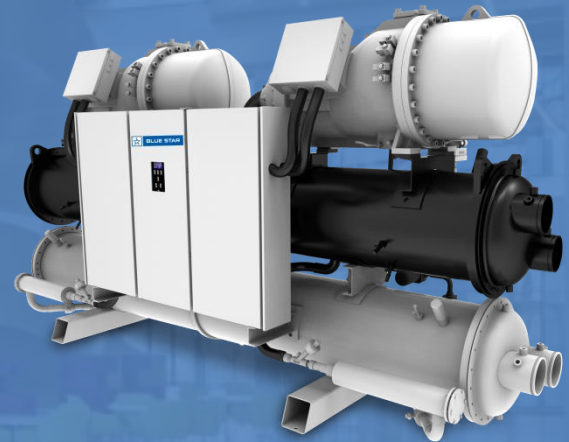


# Commercial Air Conditioning Systems



BLUE STAR

- Highly efficient 5 Star rated Configured Oil Free chillers
- Mix and Match Configured Series-Air-Cooled and Water-Cooled 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



- India's largest air conditioning and refrigeration service provider
- Maintaining around 2 million tonnes of air conditioning and refrigeration equipment
- Reach to more than 4000 towns handling > 1.2 million service calls a year
- Runs an excellence programme titled "Gold Standard service". Same day installation and response time of 3 hours and turnaround time of 18 hours
- ISO 9001-2015 and ISO 45001 certified
- 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 international joint ventures in 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**



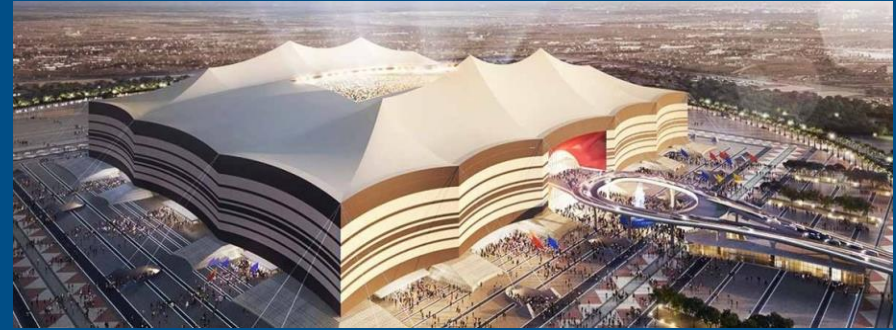
# Some of our prestigious international projects



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HVAC works in Doha Live, Qatar



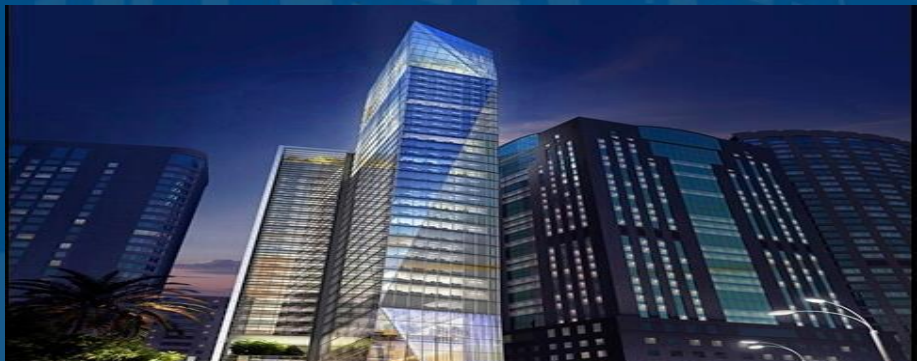
Al Bayt International Stadium



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 6000 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
- Higher quality consistent performance under various Indian conditions

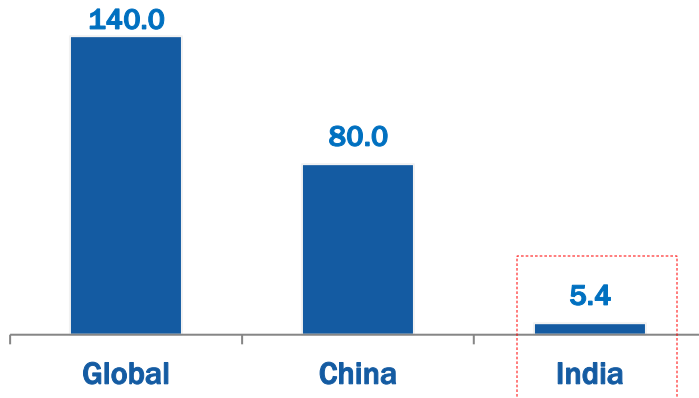


# Low penetrated market and growing middle class purchasing power offer immense opportunity for growth...

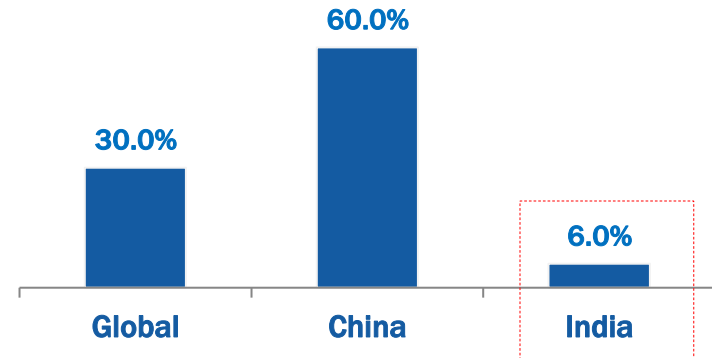


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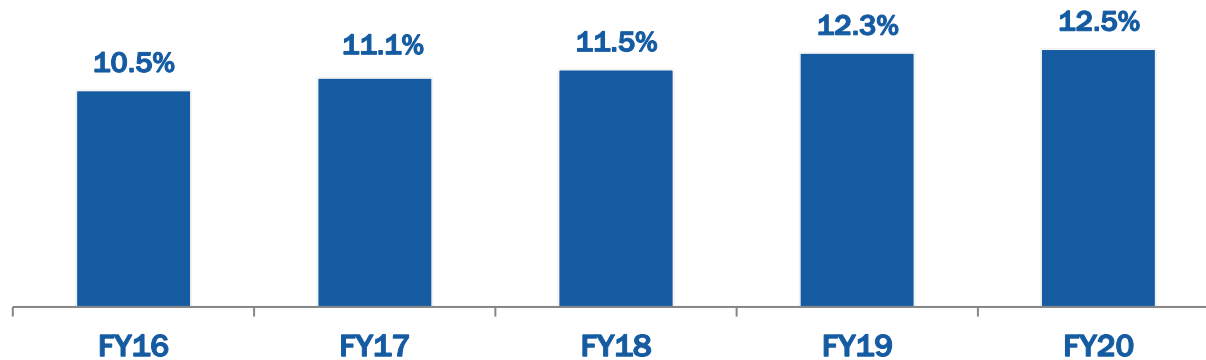
Market Size (Units in millions) - FY20



Penetration % - FY20



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



# 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 46,900
- 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



# Manufacturing Facilities

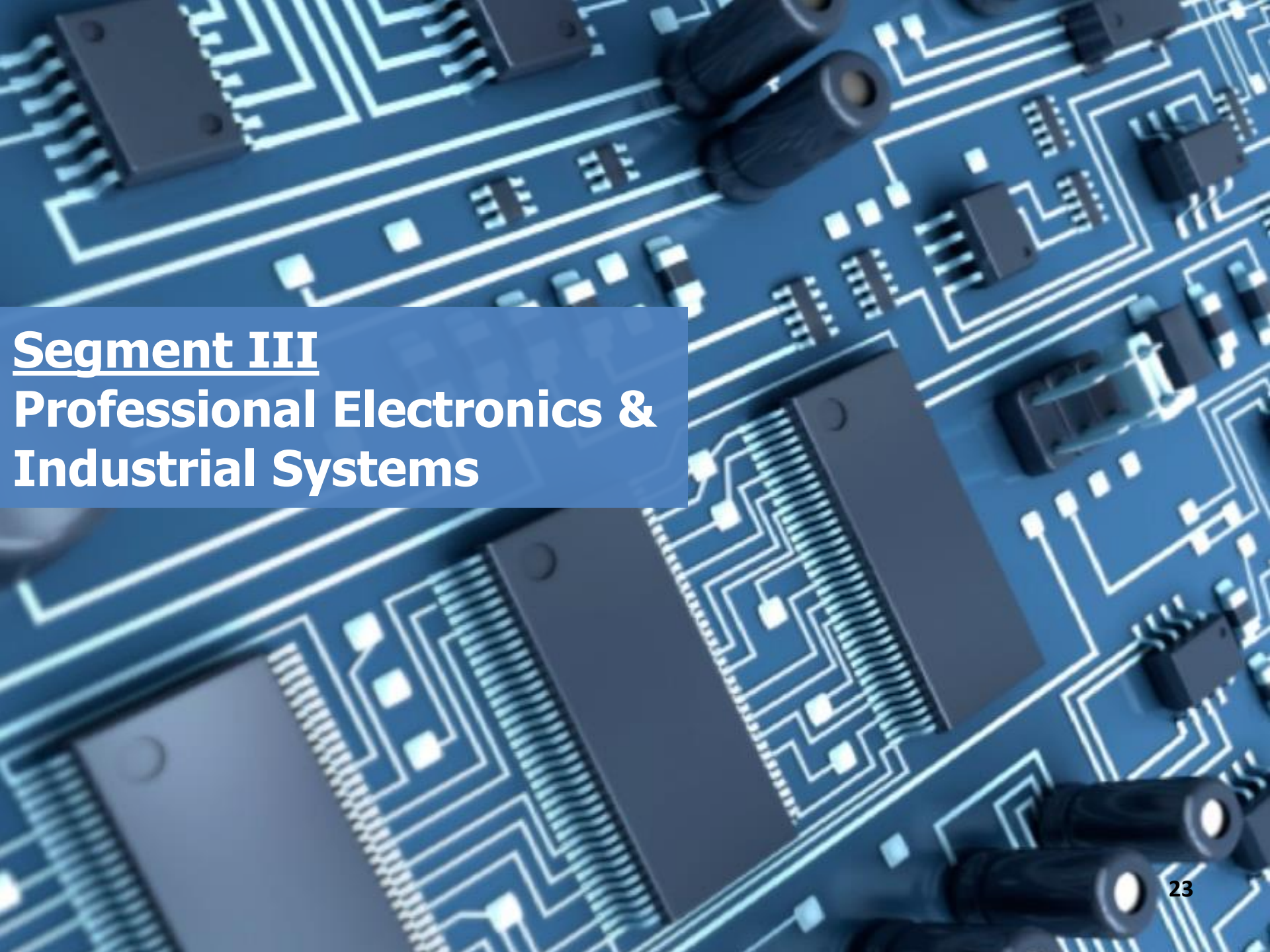
- Specialise in manufacturing a variety of highly engineered and custom-built products.
- Manufacturing footprint of 1 lakh square meter.
- Over 300 models manufactured across 25 product lines.
- Lean manufacturing and world-class practices.
- Green Building initiative - Wada factory certified 'Green 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
- Third party safety compliance test facility





# 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
  - Infra Security System: Video Surveillance, Traffic Management
  - 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
  - Industrial Products: Pumps, Valves, Filters, Analysers
- 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 a modern office setting. They are silhouetted against a large window that offers a view of a city skyline with numerous skyscrapers. The scene is bathed in a cool blue light, suggesting either dawn or dusk. The professionals are standing and appear to be in a meeting or discussion. A semi-transparent blue banner is overlaid across the middle of the image, containing the text 'Financial Performance' in white.

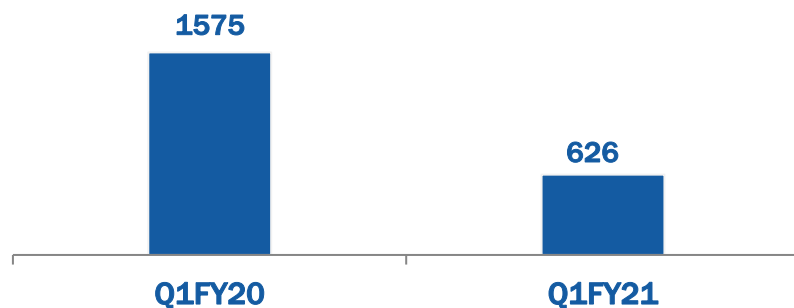
# Financial Performance

# Financial Performance – Q1FY21

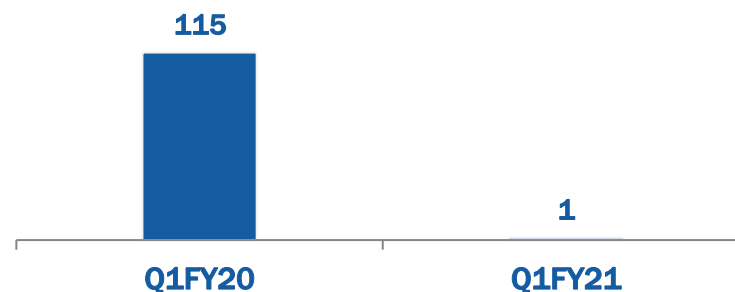


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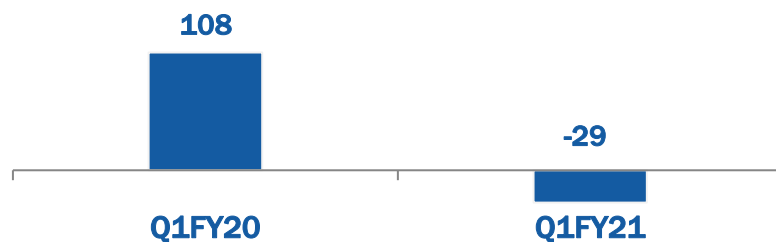
Revenue (Rs Cr)



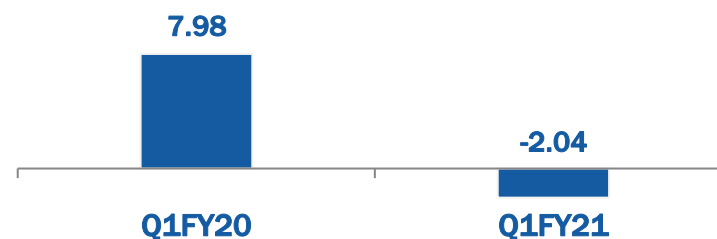
EBITDA (Rs Cr)



PBT (Before exceptional items) (Rs Cr)



Earnings per share (EPS)\* (Rs )



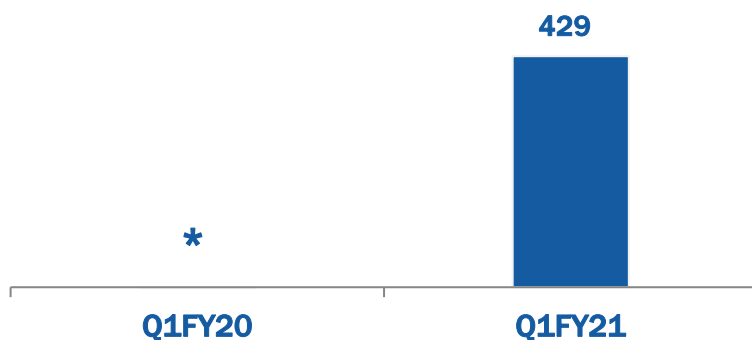


# Balance Sheet indicators – Q1FY21

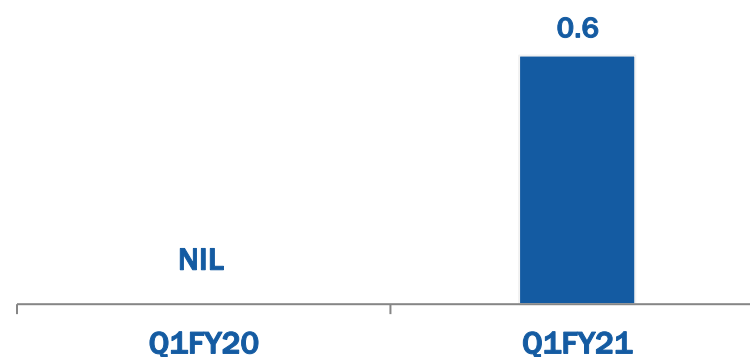


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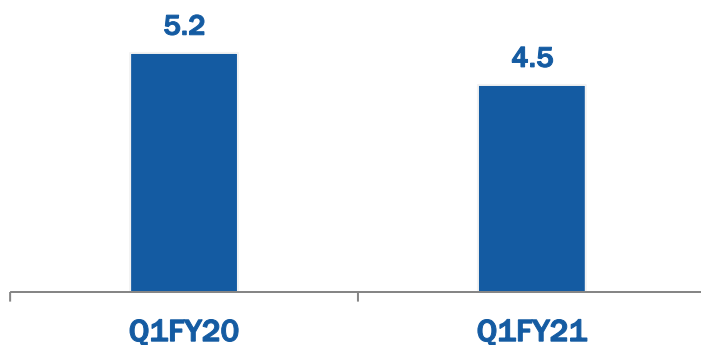
## Net Borrowing (Rs Cr)



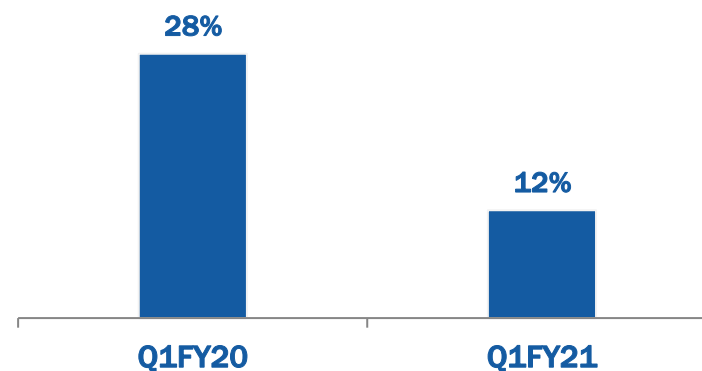
## Debt / Equity (times)



## Capital Turns (times)



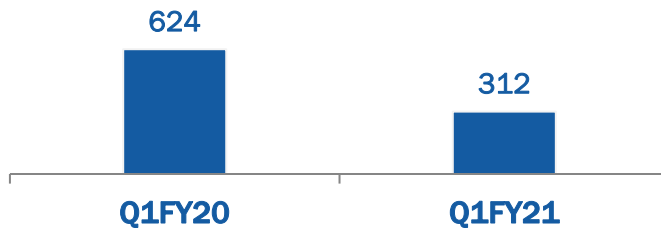
## Return on Capital Employed (%)



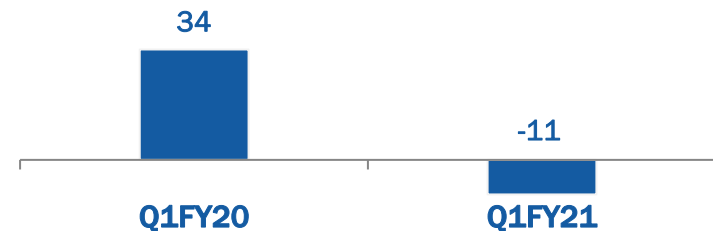
\*Net Positive Cash Balance

# Segment 1: EMP and Commercial Air-Conditioning systems

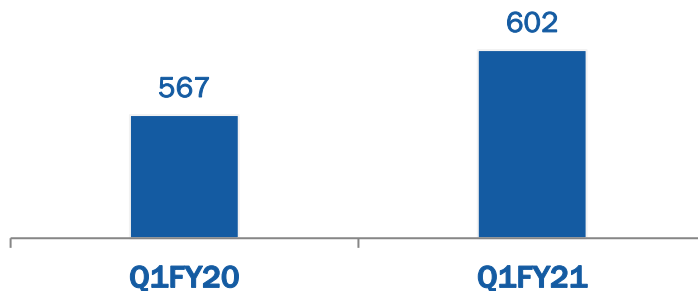
Segment Revenue (Rs Cr)



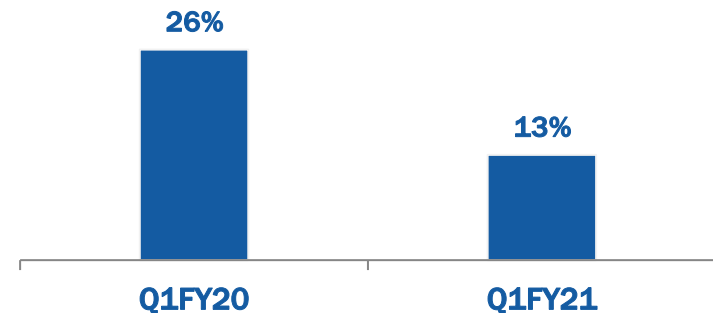
Segment Result (Rs Cr)



Capital Employed (Rs Cr)



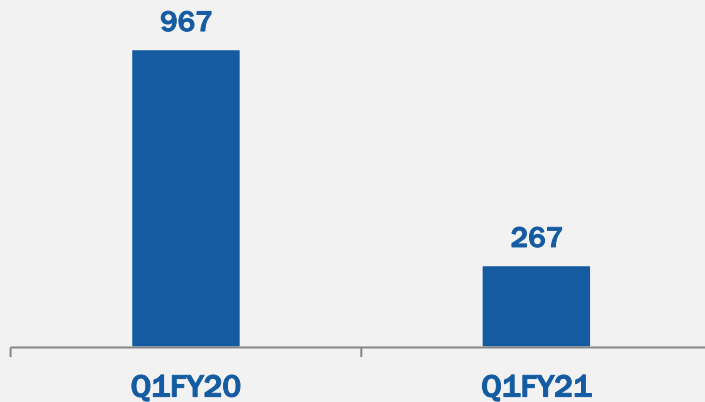
Return on Capital Employed (%)



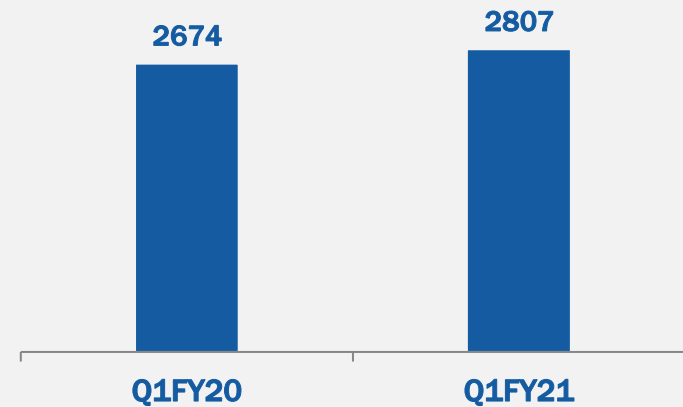


# Segment 1: EMP and Commercial Air-Conditioning systems

**Orders Booked  
(Rs Cr)**



**Carried forward Orders  
(Rs Cr)**

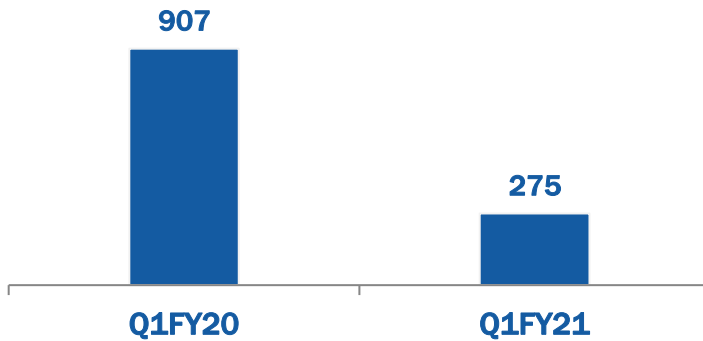


# Segment 2: Unitary Products

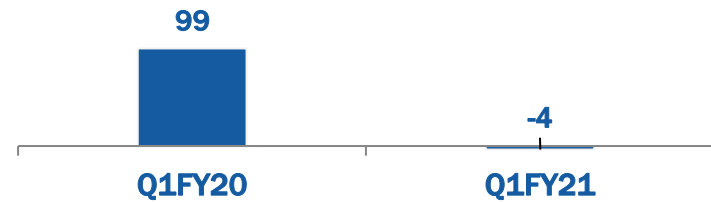


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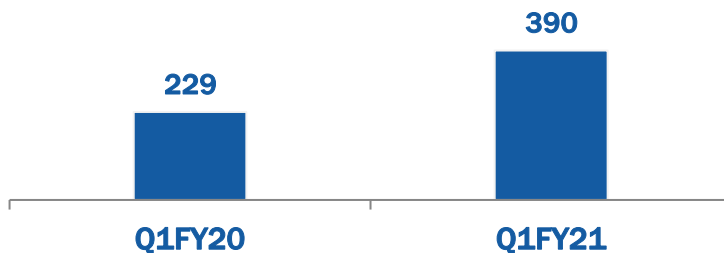
Segment Revenue (Rs Cr)



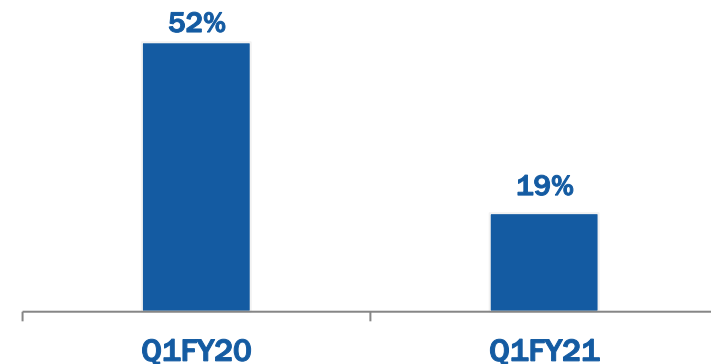
Segment Result (Rs. Cr)



Capital Employed (Rs Cr)



Return on Capital Employed (%)



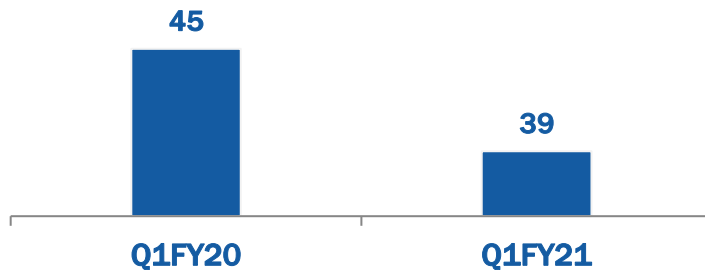


# Segment 3: Professional Electronics & Industrial Systems

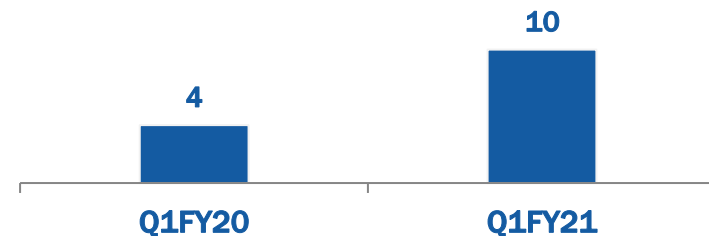


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Segment Revenue (Rs Cr)



Segment Result (Rs. Cr)



Capital Employed

The segment operated on negative capital employed in Q1FY20 and Q1FY21.



# Thank you