

Blue Star Ltd.



PRESS RELEASE

Blue Star strengthens its MEP international footprint through a joint venture with W J Towell & Co LLC

India's leading engineering conglomerate, Blue Star Limited, has announced that it has acquired a 51% stake in Oman Electro Mechanical Contracting Co LLC (OEMC), a 100% step subsidiary of W J Towell & Co LLC. This joint venture entity called Blue Star Oman Electro-Mechanical Company LLC (Blue Star Oman) will offer Mechanical, Electrical & Plumbing (MEP) contracting services in Oman.

W J Towell & Co is a renowned business group with diversified interests in Oman. It has several businesses such as real estate, construction, consumer goods, automotive, engineering and services. The group represents numerous reputed multinational brands in Oman including Nestle, Unilever, British American Tobacco, Reckitt Benckiser, Mazda and Bridgestone, amongst others. OEMC is a well-established MEP contracting company of the group and has executed several prestigious MEP projects under Towell Construction & Co LLC, the Group's general contracting firm.

Blue Star is India's leading engineering conglomerate with core businesses of airconditioning, commercial refrigeration, MEP contracting and after-sales service. It has a network of 32 offices in India, presence in 15 countries, 5 modern manufacturing facilities, 2500 employees and a turnover of nearly USD 500 million. With over seven decades of experience in providing proficient solutions in the building segment, Blue Star has been associated with numerous prestigious projects. It enjoys an enviable reputation of an expert integrated MEP solution provider, backed by a strong team of experienced employees, well-networked global supply chains and engineering excellence.

Blue Star's international business is currently engaged in the export of airconditioning and refrigeration products to the Middle East, Africa and SAARC regions, and is also making steady progress in the developing African market. The Company also runs an international projects business through its joint ventures in Qatar and Malaysia. These focus on HVAC&R and MEP projects for residential, commercial and industrial segments and have well established their presence in the respective countries. The international business is poised to grow multifold through new joint ventures for projects and a wider distribution network for product sales.

The current MEP market in Oman is around USD 350 million and with this joint venture between Blue Star and WJ Towell, Blue Star Oman aims to acquire in excess of 10% market share in the next couple of years with a focus on residential, commercial, industrial and infrastructure projects. Blue Star Oman also plans to expand into the after-sales service business in Oman.

Vir S Advani, Executive Director & President- Electro Mechanical Projects Business, Blue Star Limited adds, "Blue Star takes pride in announcing this joint venture for the Oman market. WJ Towell & Co is a highly reputed 148-year old group which is well entrenched in Oman and is the perfect strategic partner for us to enter the market. Blue Star's potent blend of its strong technical know-how, talented workforce, design expertise, exceptional project execution capabilities and global footprint have enabled it to be a part of some of the best engineering marvels across geographies. I am confident that this new venture will make deep inroads and create a significant difference to the MEP landscape in Oman."

Place: Mumbai

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