

Blue Star Limited  
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|  |   |
|--|---|
| <b>BSE Ltd.</b><br>Phiroze Jeejeebhoy Towers,<br>Dalal Street, Fort,<br>Mumbai – 400 023<br><br>BSE Scrip Code: 500067 | <b>National Stock Exchange of India Ltd.</b><br>Exchange Plaza,<br>Bandra Kurla Complex, Bandra (East),<br>Mumbai -400 051<br><br>NSE Symbol : BLUESTARCO |
|--|---|

August 29, 2018

Dear Sir,

**Sub: Intimations of Schedule of Analyst/Institutional Investor Meeting**

Pursuant to Regulation 30 (6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) read with Part A of Schedule III of the Listing Regulations, we have to inform you that following meetings are scheduled with the Analyst/Institutional Investor:

| Date                 | Name                                  | Venue  | Type of Meeting |
|----------------------|---------------------------------------|--------|-----------------|
| September<br>3, 2018 | Stewart Investors                     | London | IIFL Conference |
|                      | J.P. Morgan Asset Management          |        |                 |
|                      | Cavendish Asset Management Limited    |        |                 |
|                      | Halo Investment Management LLP        |        |                 |
|                      | J O Hambro Capital Management Limited |        |                 |
|                      | Ocean Dial Asset Management Limited   |        |                 |
|                      | Steadview Capital Management          |        |                 |
|                      | Baillie Gifford & Co Limited          |        |                 |
|                      | Alquity Investment Management Limited |        |                 |
|                      | Pictet Asset Management UK Limited    |        |                 |
|                      | Hermes Global Emerging Markets        |        |                 |
| Fundsmith LLP        |                                       |        |                 |
| September<br>4, 2018 | LGM Investments                       |        | IIFL Roadshow   |
|                      | Habrok Capital Management             |        |                 |
|                      | Neptune Investment Management Limited |        |                 |
|                      | Mobius Capital Partners               |        |                 |
|                      | Jupiter Asset Management              |        |                 |



Kindly note that the above is subject to changes, if any.

We are attaching herewith the Investors' Presentation to be made at the aforesaid meetings, for your records.

Pursuant to Regulation 46 (2) (o) of the Listing Regulations, the aforesaid information is also being placed at the website of the Company i.e. [www.bluestarindia.com](http://www.bluestarindia.com)

Thanking you,  
Yours faithfully,  
For **Blue Star Limited**

  
 Vijay Devadiga  
Company Secretary



Encl: a/a

# Blue Star Limited

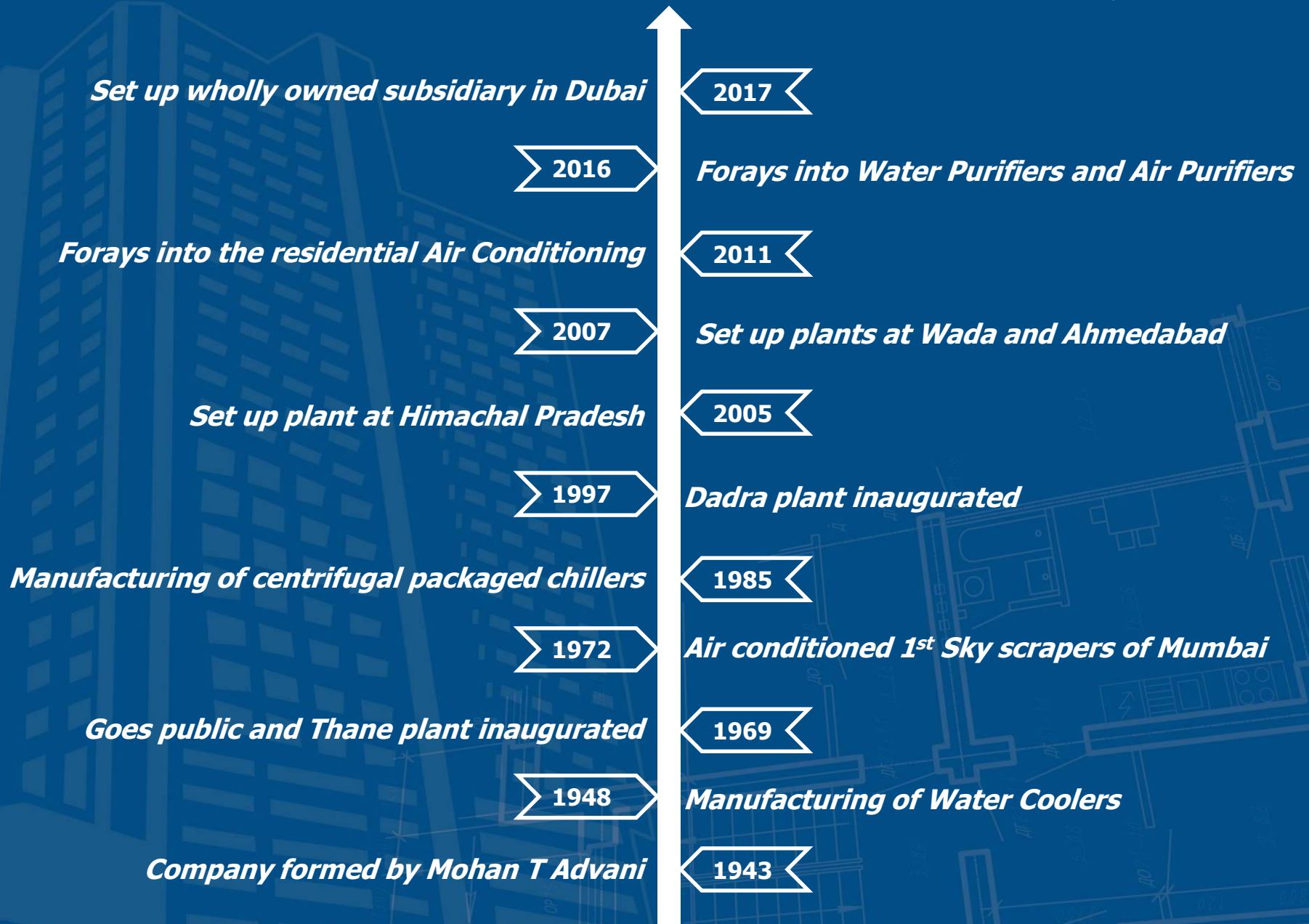
## Investor Presentation

# About Blue Star



- India's leading air-conditioning, commercial refrigeration company and MEP contracting company
- Total Revenue from Operations: ~ US\$ 650 Mn
- Employee Strength: ~ 2800
- Network of 35 offices; 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

# Journey so far...



# 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.”**

## VALUES & BELIEFS

- Be a company that is a pleasure to do business with.
- Continuously improve shareholder value.
- Win our people's hearts and minds.
- Encourage learning, experimentation and innovation in what we do.
- Place the Company's interest above one's own.
- Conduct business with personal integrity and ethics.
- Work in a boundary-less manner between various functions to provide the best solutions to customers.
- Treat business partners as respected members of our organisation.
- Ensure high standards of corporate governance.
- Be a good corporate citizen.

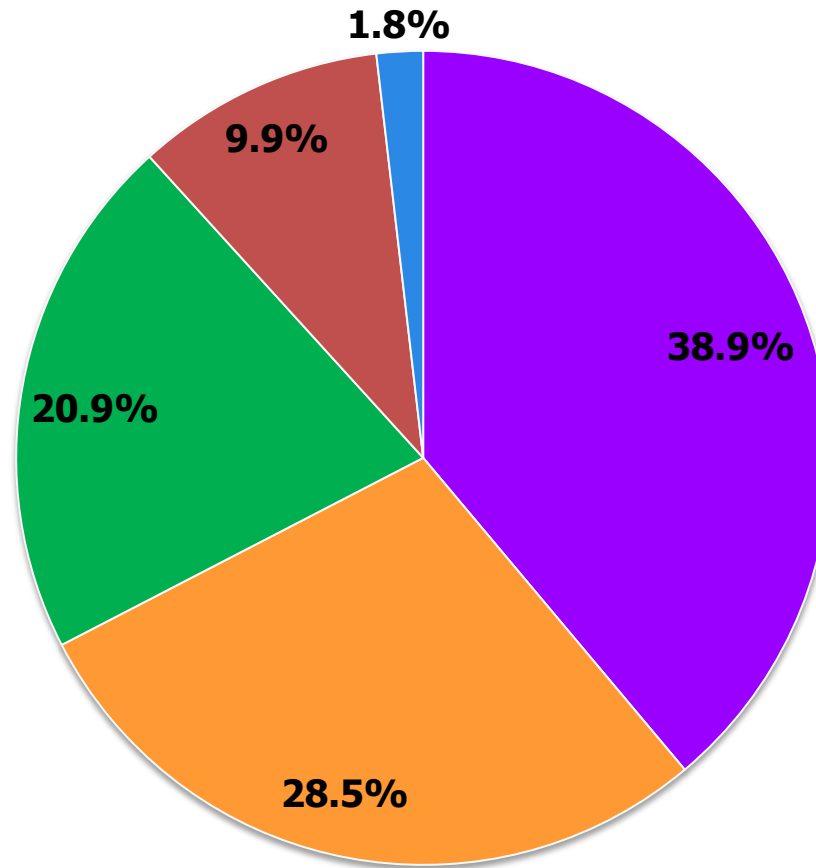
# Trend-setters in technology



- **First Company to Introduce energy – efficient scroll compressors in India**
- **Pioneered Precision Inverter ACs with 'Precision Cooling Technology' (Enables setting of temperature in decimals)**
- **First Indian manufacturer of Inverter VRF systems and Inverter drives for Room ACs**
- **Launched India's first hot and cold RO+UV water purifier with 'Immuno Boost Technology'**
- **First to Introduce remote monitoring of chillers**
- **First to Introduce the super-efficient Turbocor Chillers in India**
- **First Indian Company to secure certifications from National Environment Balancing Bureau (NEBB), USA for Testing and balancing chilled water systems and National Air Duct Cleaners Association (NADCA), USA for duct cleaning**



# Shareholding Pattern – As on March 18

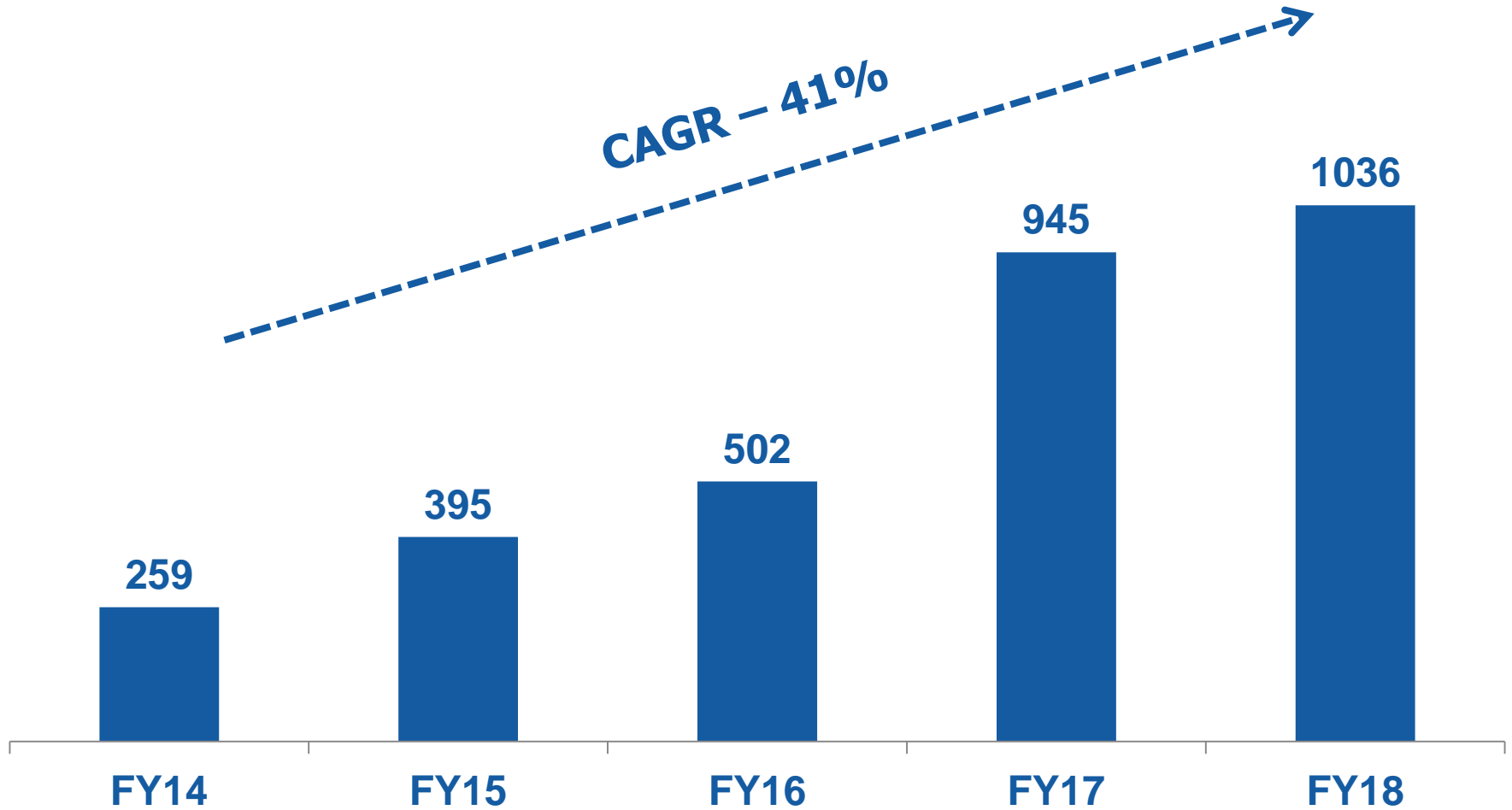


■ Promoters ■ Indian Public ■ FI/Banks/Mutual Funds ■ Foreign Holdings ■ Bodies Corporate

# Market Capitalization



US\$ Mn



*Based on the last day of financial year*

# Governance Structure



## Chairman Emeritus



Ashok M Advani

## Board of Directors



Suneel M Advani  
*Chairman*



Vir S Advani  
*Managing Director*



B Thiagarajan  
*Joint Managing Director*



Sam Balsara  
*Independent Director*



Shailesh Haribhakti  
*Independent Director*



Anil Harish  
*Independent Director*



Shobana Kamineni  
*Independent Director*



Rajiv R Lulla  
*Non-Executive Director*



Gurdeep Singh  
*Independent Director*



Dinesh Vaswani  
*Non-Executive Director*

# Committees of the Board



- **Audit Committee**
- **Nomination and Remuneration Committee**
- **Investor Grievance cum Stakeholders' Relationship Committee**
- **Corporate Social Responsibility (CSR) Committee**
- **Risk Management Committee**
- **Executive Management Committee**
- **Share Transfer Committee**

A blue-tinted photograph of several business professionals in silhouette, standing in a modern office with large windows overlooking a city skyline at night. The scene is dimly lit, with the primary light source being the city lights and the office's ambient lighting, creating a professional and contemplative atmosphere. The silhouettes of the people are dark against the bright, glowing windows. The city skyline in the background is composed of numerous skyscrapers with many lit windows, creating a dense pattern of light and dark rectangles. The overall color palette is dominated by various shades of blue, from deep navy to bright cyan.

# Business Segments



**Electro-Mechanical Projects and  
Central Air Conditioning Products**

# Electro-Mechanical Projects



- Design, supply, installation and commissioning of
  - Large central air conditioning projects
  - Electrical projects
  - Plumbing projects
  - Fire-fighting projects
- Execution of turnkey industrial projects
- Our Value Proposition
  - Superior project delivery through intelligent engineering, modern execution practices, and committed teams
- Awarded 'MEP Contractor of the year' in Sep 2017 (third year in a row)

# Central Air Conditioning Projects



- Expertise of over seven decades in system design, contracting, installation and maintenance
- Expert turnkey 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



# Central Air Conditioning Products



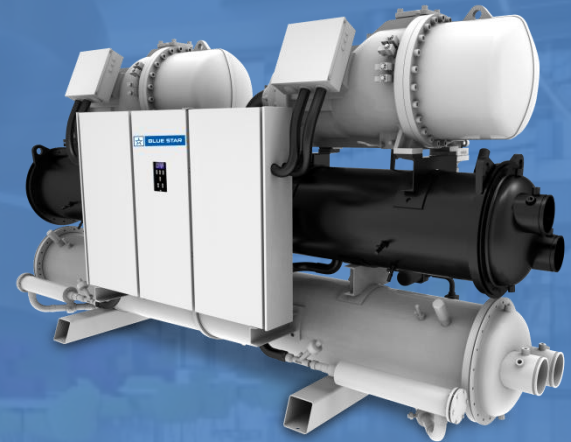
- Complete range of energy-efficient packaged air conditioners and ducted split air conditioners
- Inverter Ducted System , innovative new range of ducted system
- VRF V Plus, the fifth generation VRF is launched which is ' 100% Inverter-based VRF system with higher output capacity and efficiency
- VRF Sprint, ' Pre piped Inverter-based VRF system for residential application.
- VRF IV S , Side Discharge Inverter-based VRF system for medium sized commercial applications.
- Driven by segments such as offices, education, industrial, show-rooms, healthcare, hospitality, banquet halls and retail



# Central Air Conditioning Products continued...



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



# After Sales Service



- India's largest air conditioning and refrigeration service provider, maintaining around 2 million tonnes of air conditioning and refrigeration equipment. Service reach to more than 3000 towns handling > 1 million service calls a year
- ISO 9001-2015 certified
- Focus on service delivery quality through a Service Quality Assurance Group, Service Specialists' Group for high-end technical requirements
- Forayed into Engineering Facility Management which covers a wide repertoire of operation and maintenance services for electro-mechanical utilities

- Offers air-conditioning and refrigeration products, after-sales service as well as system integration in global markets
- Product portfolio includes Unitary Products, DX Commercial Products, Applied System and Refrigeration solution 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, Malaysia and Oman
- Wholly owned subsidiary set up in Dubai to consolidate and expand International business

# Market Dynamics



## Electro Mechanical Projects

- **Size : Approximately US\$ 1.43 Bn**
- **Share of Blue Star : 10%**
- **Ranking of Blue Star: Market leader**
- **Key Competitors : Voltas | Sterling & Wilson**

## Central Air Conditioning Products

- **Size : VRF – US\$ 140 Mn | Ducted – US\$ 110 Mn | Chiller – US\$ 110 USD Mn**
- **Share of Blue Star : VRF – 16% | Ducted - 40% | Chiller – 35%**
- **Ranking of Blue Star : VRF and Chiller – 3<sup>rd</sup> Position | Ducted – Market leader**
- **Key Competitors : VRF – Daikin and LG | Ducted – Voltas and Carrier |  
Chiller – Trane and Carrier**

# 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**

# Unitary Products





# Room Air Conditioners

- Installed base of over two million units
- Products available in 4500 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, durability & stability of the product make our product widely accepted



# 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
  - Professional Kitchen Refrigeration
  - Medical Refrigeration
  - Retail Refrigeration



# Water Purifiers



- Offers a stylish, premium and differentiated range of RO+UV+UF products across price points from Rs 11,000 to Rs 45,000
- Unique features such as cold and hot water, filter change alerts, aqua taste boosters and electronic dispensing
- Available in over 174 towns with ~200 channel partners and 2400 retail points
- Won the Water Digest Awards 2018 for 'Best Domestic RO+UV Purifier' in the country for the second time in a row



# Market Dynamics



## Room Air Conditioners

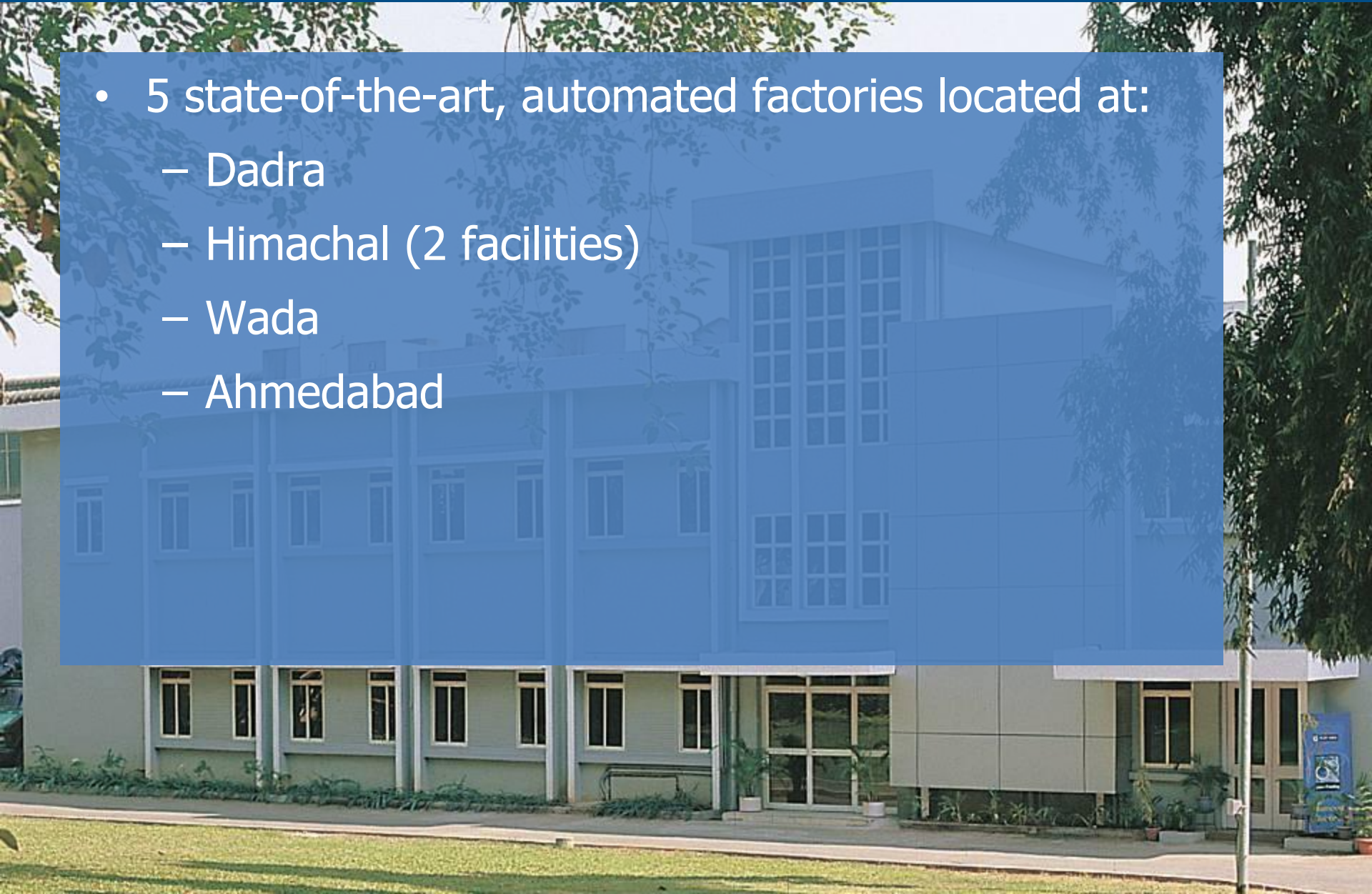
- **Size : Approximately US\$ 1.71 Bn (penetration – 4%)**
- **Share of Blue Star : FY 18 - 11.5% | FY17 – 11.2%**
- **Ranking of Blue Star : 5<sup>th</sup> Position**
- **Key Competitors : Voltas | Daikin | Hitachi | LG | Lloyds | Samsung**

## Commercial Refrigeration

- **Size : Deep Freezer – US\$ 140 Mn | Water Cooler – US\$ 50 Mn | Cold Room - US\$ 50 Mn**
- **Share of Blue Star : Deep Freezer – 28% | Water Cooler – 33% | Cold Room – 32%**
- **Ranking of Blue Star : Market leader**
- **Key Competitors : Voltas**

# Manufacturing Facilities

- 5 state-of-the-art, automated factories located at:
  - Dadra
  - Himachal (2 facilities)
  - Wada
  - Ahmedabad



# Manufacturing Facilities

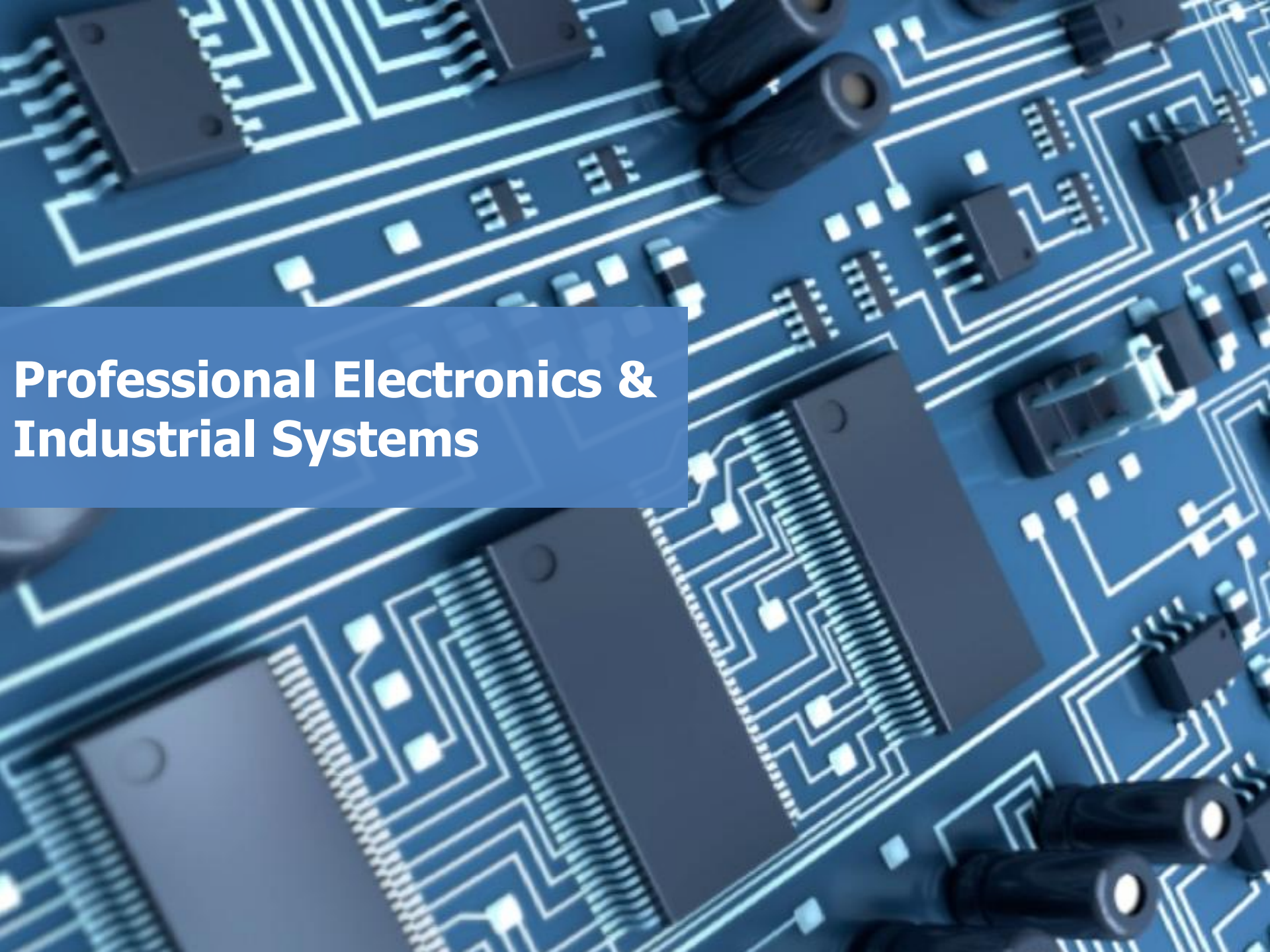


- Specialise in manufacturing a variety of highly engineered and custom-built products
- Manufacturing footprint of 1 lakh sq. m.
- Over 1125 SKUs manufactured across 21 assembly lines
- Lean manufacturing and world-class practices
- Wada factory certified as 'Green factory' – Gold category certification from IGBC

# Research & Development



- 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



# 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

# Market Opportunity



- Enormous opportunities to unfold backed by growth in Indian and global economies
- Capability to cater wide range of market segments gives the opportunity to grow
- The HVAC market in India is forecast to reach US\$ 7.7 billion by 2022
- 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.

# Market Opportunity



- Infrastructure investments in tier-2/3/4 cities like shopping malls, retail complexes, airports will further push growth.
- Lower penetration of air conditioners as compared to developed countries and faster pace of development of Tier 3,4 and 5 cities
- Backward integration in manufacturing processes – leading to increased indigenisation of products
- Opportunities in new categories that are adjacencies to the existing product lines

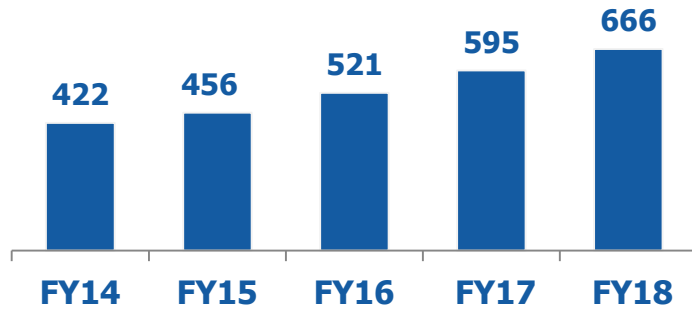
The image features a group of business professionals in a modern office setting. They are silhouetted against a large window that offers a panoramic view of a city skyline at dusk or night. The buildings outside are illuminated, creating a vibrant blue and white glow. The office floor is highly reflective, mirroring the silhouettes of the people and the city lights. A semi-transparent blue banner is overlaid across the middle of the image, containing the text 'Financial Performance' in a bold, white, sans-serif font.

# Financial Performance

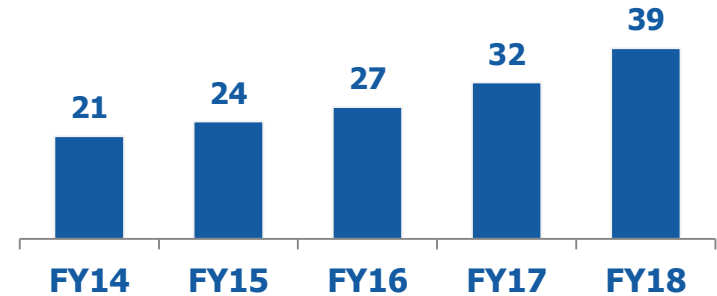
# Key Performance Indicators



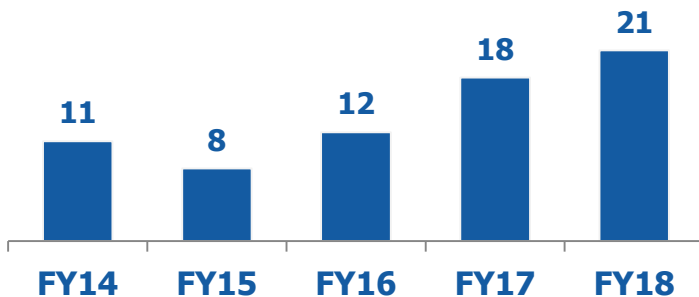
### Total Income (US\$ Mn)



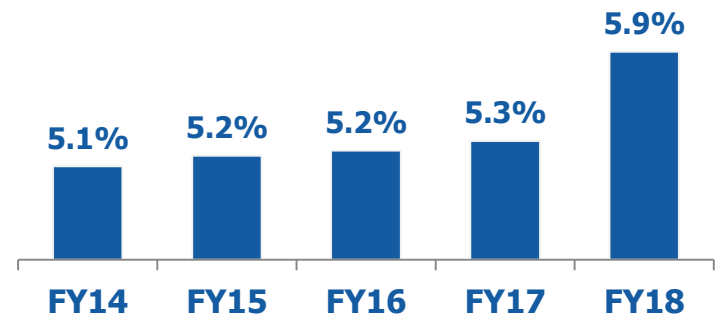
### EBITDA (US\$ Mn)



### PAT (US\$ Mn)



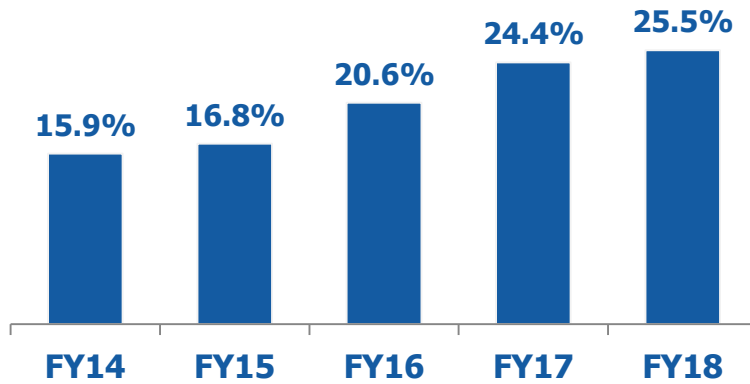
### Operating Margin (%)



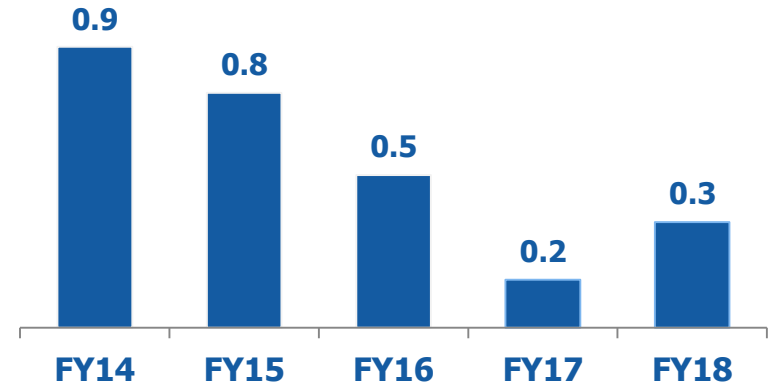
# Key Performance Indicators continued...



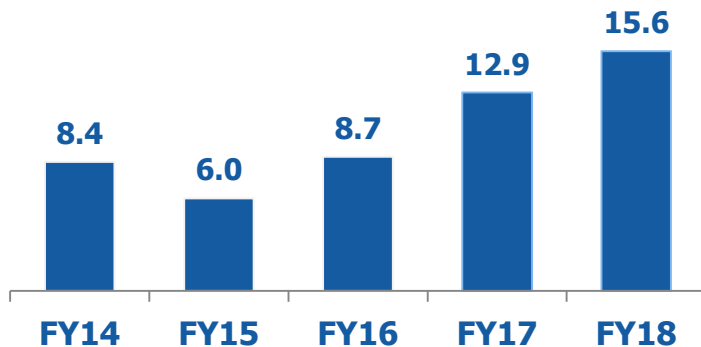
### Return on Capital Employed (%)



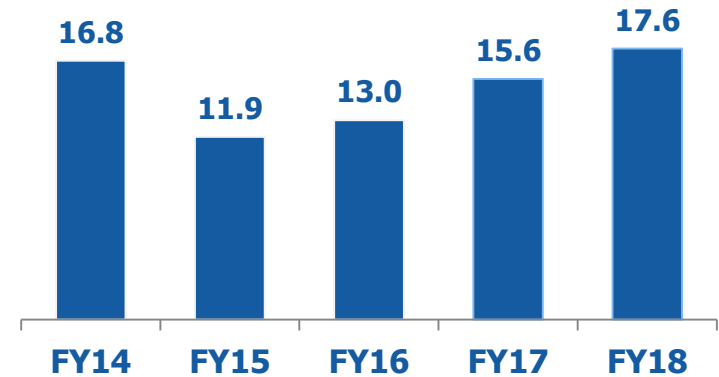
### Debt / Equity (times)



### Earning Per Share (Rs per share)



### Return on Equity (%)



# Financial Highlights



| Particulars                                 | UOM     | FY14  | FY15  | FY16  | FY17  | FY18  |
|---|---------|-------|-------|-------|-------|-------|
| <b>Operating Results:</b>                   |         |       |       |       |       |       |
| Total Income                                | US\$ Mn | 422   | 456   | 521   | 595   | 666   |
| EBITDA                                      | "       | 21    | 24    | 27    | 32    | 39    |
| Profit for the year after tax               | "       | 11    | 8     | 12    | 18    | 21    |
| Dividend (Including corporate dividend tax) | "       | 6     | 8     | 11    | 12    | 17    |
| <b>Financial Position:</b>                  |         |       |       |       |       |       |
| Share Capital                               | "       | 3     | 3     | 3     | 3     | 3     |
| Shareholders' Funds                         | "       | 66    | 65    | 90    | 108   | 119   |
| Borrowings (Net)                            | "       | 61    | 50    | 45    | 17    | 41    |
| Capital Employed                            | "       | 122   | 103   | 120   | 110   | 147   |
| <b>Other Information:</b>                   |         |       |       |       |       |       |
| Number of Shareholders                      | Nos     | 22490 | 20686 | 19221 | 25553 | 39692 |
| Number of Employees                         | "       | 2667  | 2599  | 2567  | 2711  | 2819  |

# Financial Highlights continued...



| Particulars                    | UOM   | FY14 | FY15 | FY16 | FY17 | FY18 |
|--------------------------------|-------|------|------|------|------|------|
| <b>Performance Indicators:</b> |       |      |      |      |      |      |
| Revenue Growth                 | %     | -0.3 | 8.1  | 14.4 | 14.2 | 11.9 |
| Gross Margin                   | %     | 28.9 | 30.4 | 29.5 | 24.7 | 30.1 |
| EBITDA Growth                  | %     | 66.5 | 11.2 | 13.4 | 17.2 | 24.2 |
| EBITDA Margin                  | %     | 5.1  | 5.3  | 5.2  | 5.4  | 6.0  |
| Earnings per Share             | Rs.   | 8.4  | 6.0  | 8.7  | 12.9 | 15.6 |
| Dividend per Share             | Rs.   | 4.0  | 5.0  | 6.5  | 7.5  | 10.0 |
| Book Value per Equity Share    | Rs.   | 51.2 | 50.7 | 66.2 | 79.4 | 86.8 |
| Debt Equity Ratio              | Ratio | 0.9  | 0.8  | 0.5  | 0.2  | 0.3  |
| Capital Turnover Ratio         | Ratio | 3.6  | 4.0  | 4.6  | 5.1  | 5.2  |
| Return on Shareholders' Funds  | %     | 16.8 | 11.9 | 13.0 | 15.6 | 17.6 |
| Return on Capital Employed     | %     | 15.9 | 16.8 | 20.6 | 24.4 | 25.5 |



**Thank you**