

May 5, 2023

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	National Stock Exchange of India Ltd Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
BSE Scrip Code: 500067	NSE Symbol: BLUESTARCO

Dear Sir/Madam,

Sub: Investors' Presentations for the Fourth Quarter and Financial Year ended March 31, 2023

Pursuant to Regulation 30(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") read with Part A of Schedule III of the Listing Regulations and in continuation to our letter dated April 28, 2023, we are enclosing herewith the Investors' Presentations for the Fourth Quarter and Financial Year ended March 31, 2023, which shall be made at the said Fund Managers and Analysts Meet.

The said information is also being made available on the website of the Company at www.bluestarindia.com

Kindly take the same on record.

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



Rajesh Parte
Company Secretary & Compliance Officer
Encl: a/a

\\172.16.31.16\Legal and Secretarial Documents\01) Blue Star Limited\2021-22\Stock Exchange Compliance\Reg 30 Information and Update\Investor Presentation\Q4FY23

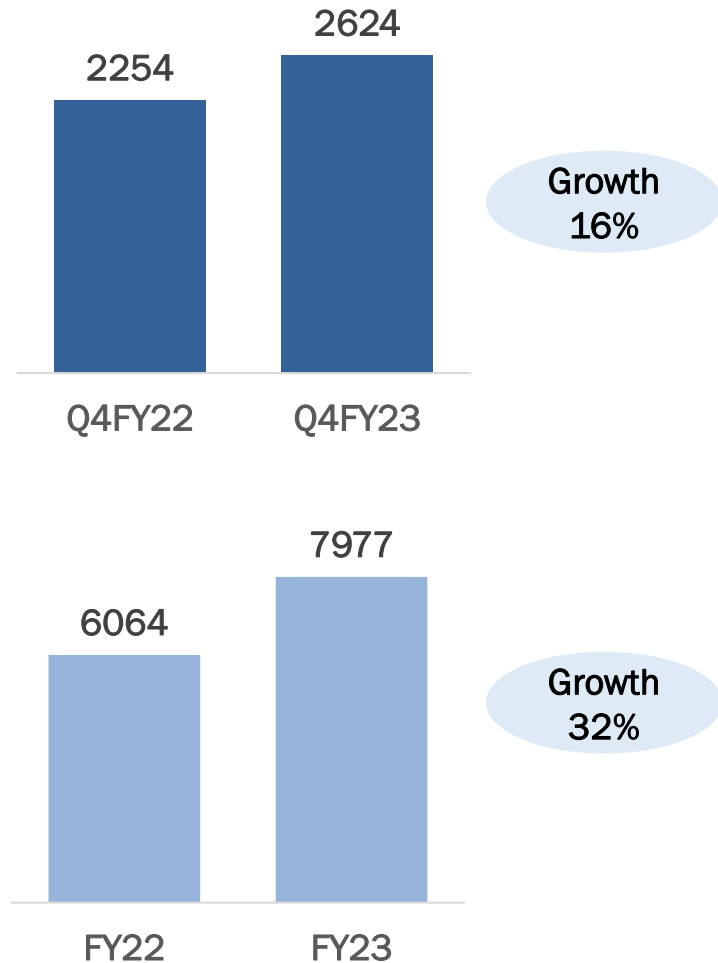
Earnings Presentation – Q4FY23 & FY23

May 5, 2023

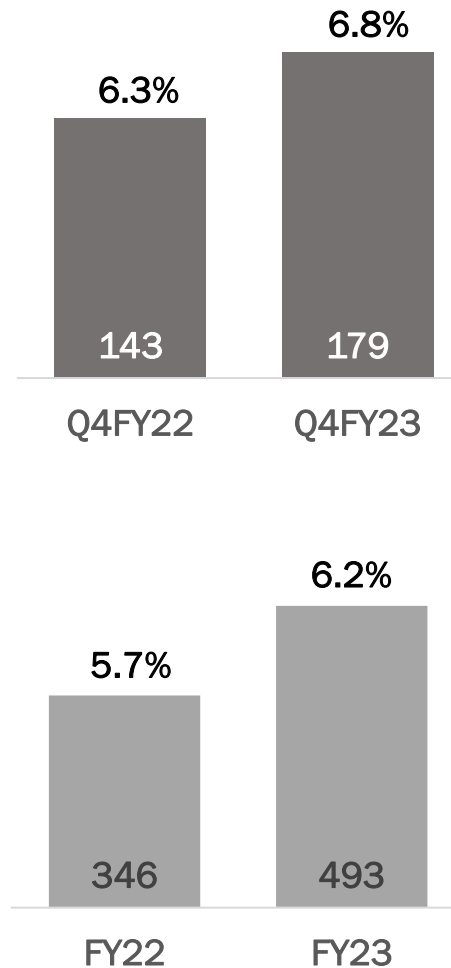


Certain statements in this presentation concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fiscal policy, competition, inflationary pressures and general economic conditions affecting our industry. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

Revenue (Rs cr)



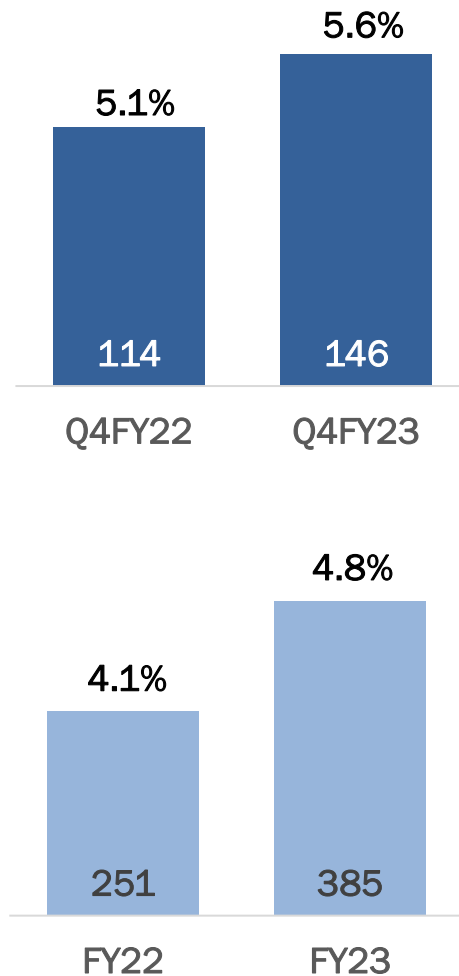
EBITDA (Rs cr)



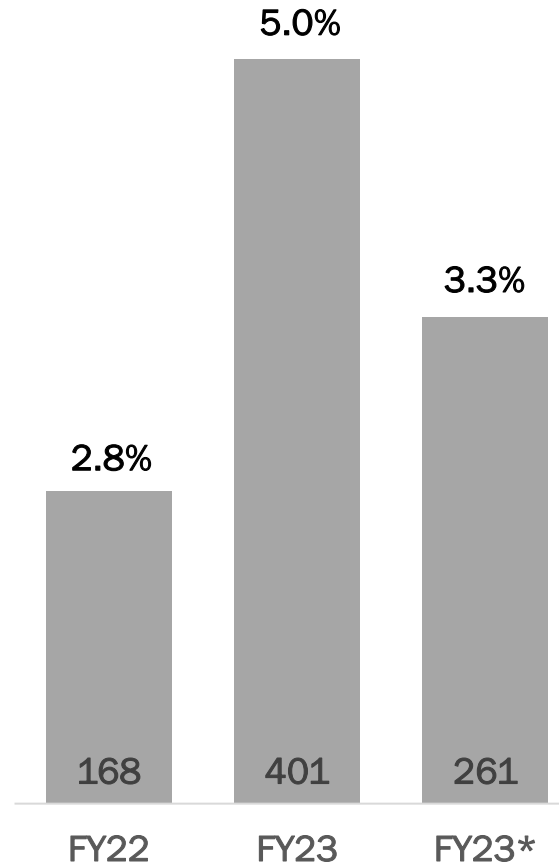
FY23 Highlights

- Ended the year on a strong note with record revenue and profits and a robust carried forward order book
- Consolidated Total Income exceeded Rs 8,000 cr in FY23
- Dividend of Rs 12 per share recommended by the Board
- Considering the record all round performance in the Company's 80th year, the Board has recommended issue of Bonus shares in the ratio of 1:1 subject to the approval of shareholders

PBT (Before Exceptional Items) (Rs cr)



PAT (Rs cr)

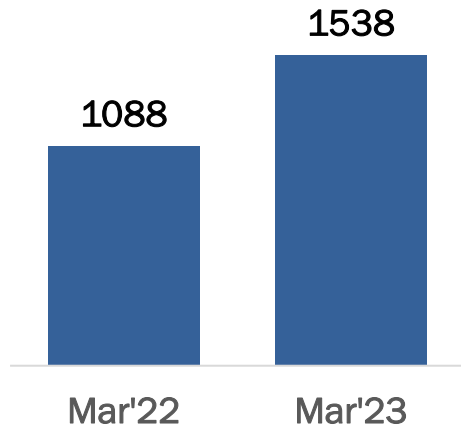


FY23 Highlights

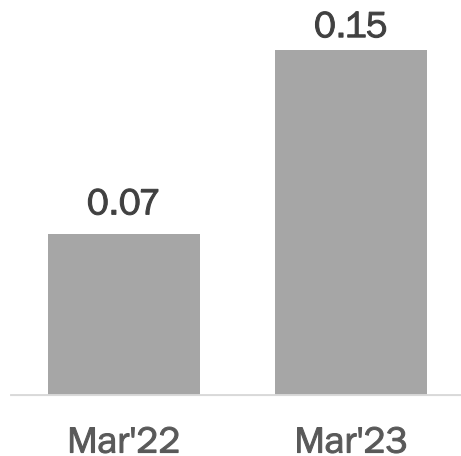
- Concluded the sale of a larger land parcel at Thane
 - Gain of Rs 170.81 cr (Net of Tax Rs 139.24 cr)
 - Reported as an Exceptional Income for Q4FY23
-
- Switched to 'straight line method of depreciation' effective October 1, 2022 – depreciation for the year lower by Rs 18.1 cr (Net of Tax Rs 13.6 cr)

* Excluding the gain on sale of Thane Property

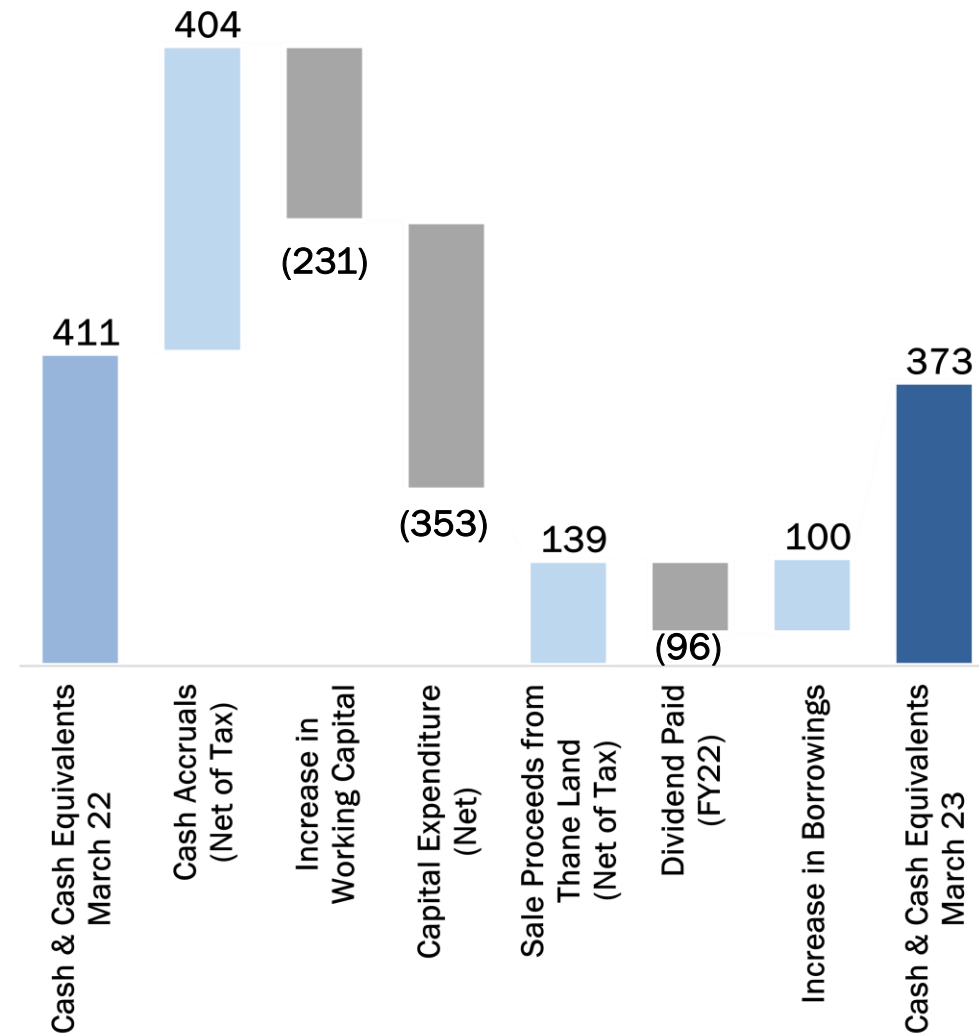
Capital Employed (Rs cr)



Net Debt/Equity (Times)



Cash Walk FY23 (Rs cr)



FY23 Highlights

- Higher capital employed owing to –
 - Investments in capacity expansion projects at existing plants and the new plant at Sri City
 - Additional working capital to fund revenue growth
-
- Good operating cash flows restricted the increase in net borrowings to reasonable levels

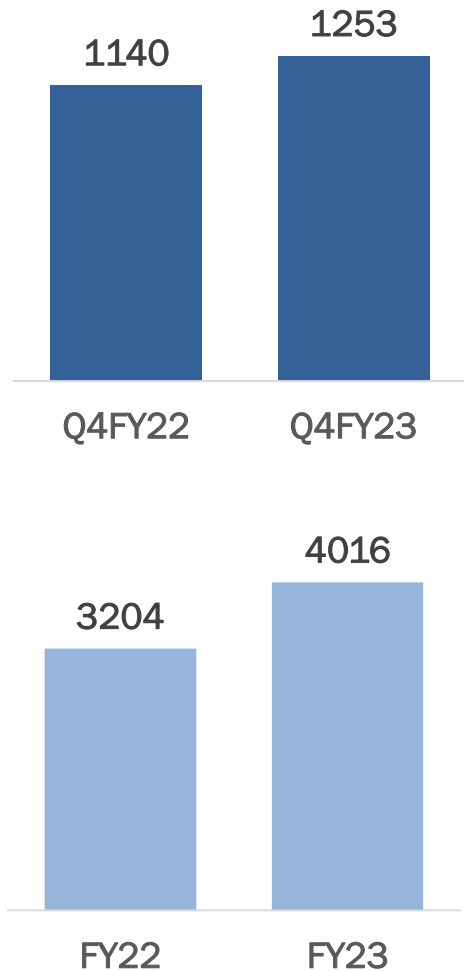


Business Highlights

Segment 1: Electro-Mechanical Projects and Commercial Air Conditioning Systems



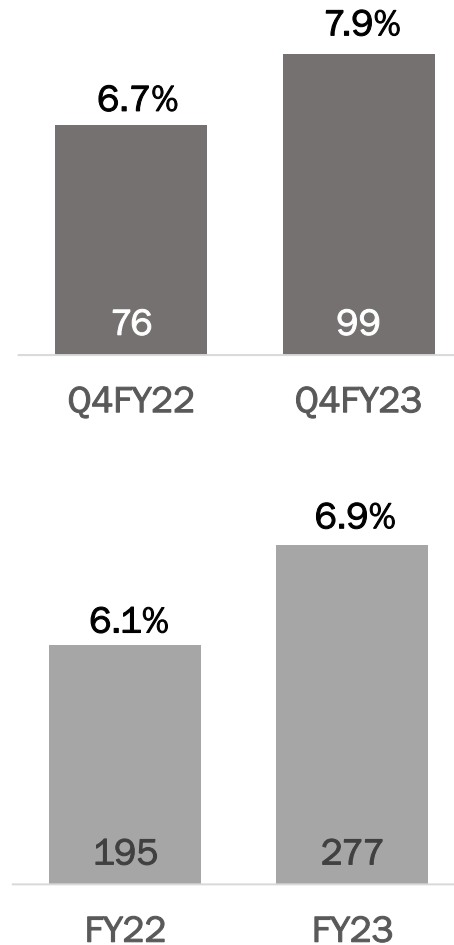
Revenue (Rs cr)



Growth 10%

Growth 25%

Result (Rs cr)



FY23 Highlights

- Healthy order inflows across segments

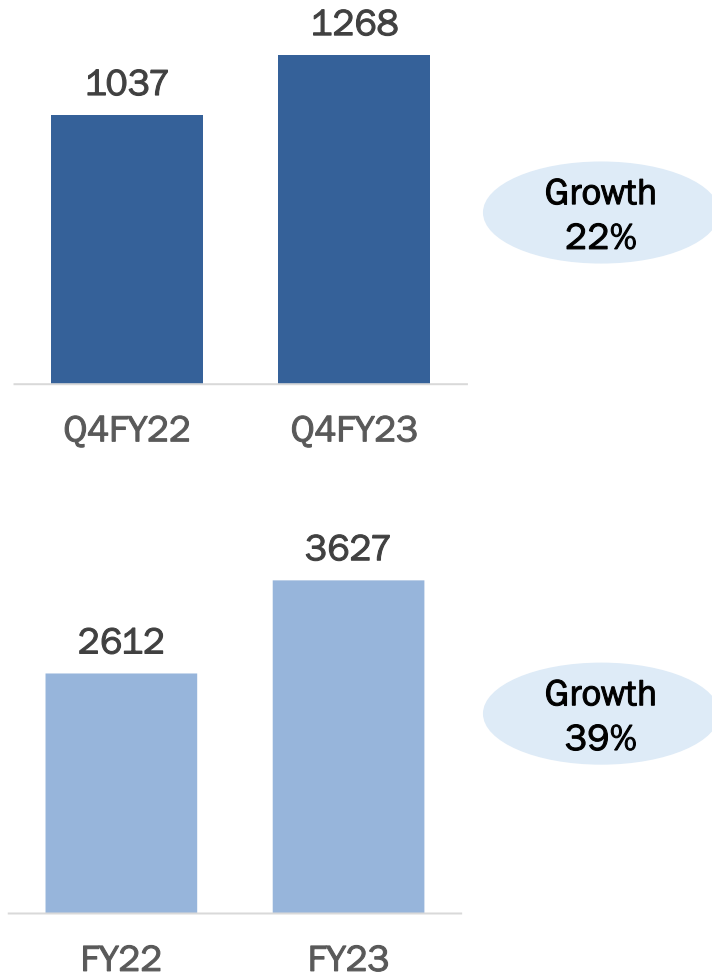
- Strong uptick in enquiries and order finalisations with:
 - Government's thrust on infrastructure development
 - Enhanced private capex

- Expanded product portfolio and channel expansion enabled growth in revenue for the commercial air conditioning business; demand from tier 3, 4 and 5 cities continued to be encouraging

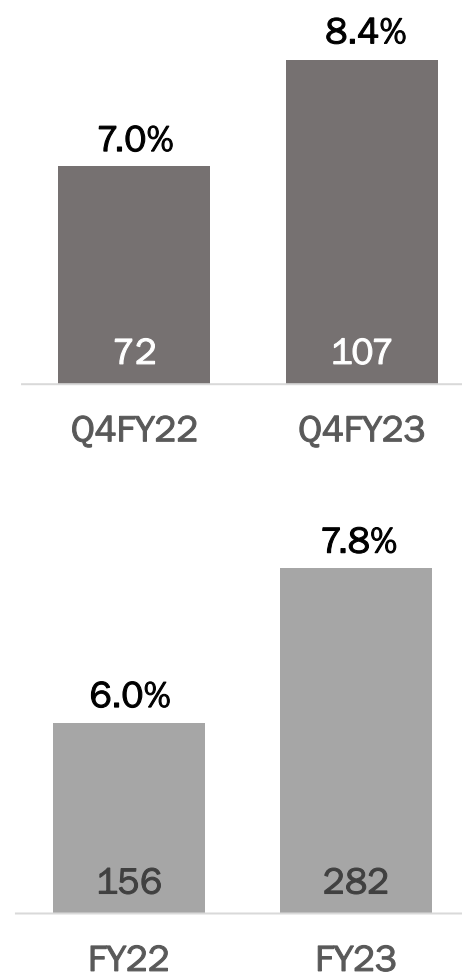
- Business and economic activities in the Middle East markets continued to remain upbeat

- Carried forward order book for the segment was at Rs 4785 cr as of Mar 23 vs Rs 3034 cr as of Mar 22, a growth of 58%

Revenue (Rs cr)



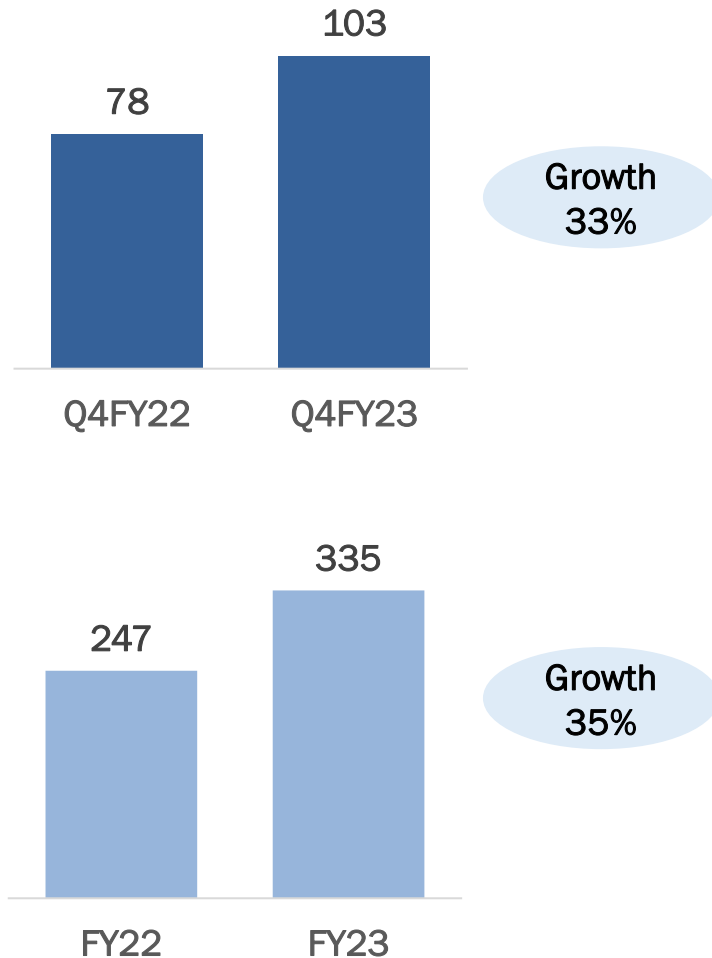
Result (Rs Cr)



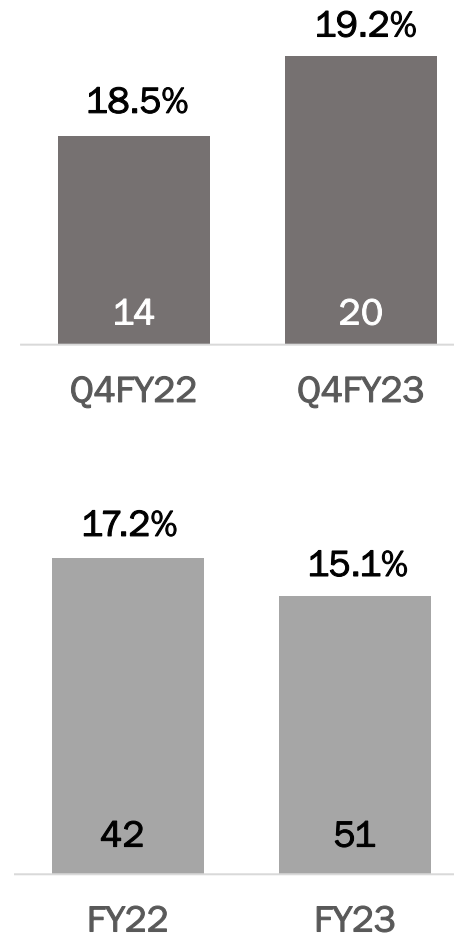
FY23 Highlights

- Rejigged product portfolio, Total Cost Management initiatives and benefit of scale enabled margin improvement
- Built manufacturing capacities to be future ready
- With the early onset of summers, witnessed a surge in demand for our room air conditioners and grew by 20% as compared to Q4FY22
- We estimate that we grew faster than the market and ended the year with RAC market share of 13.5%
- The commercial refrigeration business continued to witness traction across all segments with an uptick in demand from the food and healthcare sectors

Revenue (Rs cr)



Result (Rs Cr)



FY23 Highlights

- With the revival of private capex cycle, revenue grew across all lines of businesses
- Apart from MedTech products and solutions, demand for the non-destructive testing solutions also gained momentum
- EBIT impacted by planned investments in business development, marketing and other initiatives for future growth
- Major orders bagged from JSW Steel Limited, Tirumala Hospitals, Maruti Suzuki, Bharat Heavy Electricals Limited, HDFC Bank, to name a few

- Ended FY23 on a high note with a healthy revenue and margin profile
- Intend to build on the momentum gained in order to grow the revenue and improve profitability
- Focus Areas –
 - Continuing to invest in enhancing R&D capabilities
 - Total Cost Management
 - Further expansion of manufacturing footprint
 - Expanding distribution reach in HSM
- With the weather forecast indicating a strong summer season and a healthy carried forward order book for our B2B businesses, we are optimistic about the prospects for Q1FY24 and FY24



Thank You



BLUE STAR

Blue Star Limited

Conference of Fund Managers
and Analysts

Mumbai

May 5, 2023

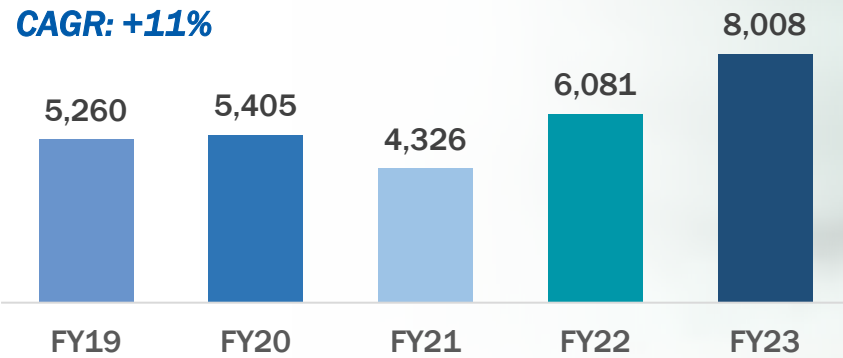
Safe Harbour

Certain statements in this release concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fiscal policy, competition, inflationary pressures and general economic conditions affecting our industry. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

Key Performance Indicators

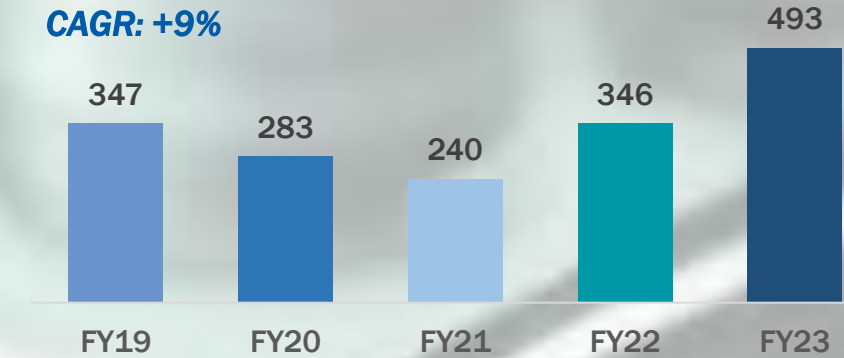
Total Income (Rs in cr)

CAGR: +11%



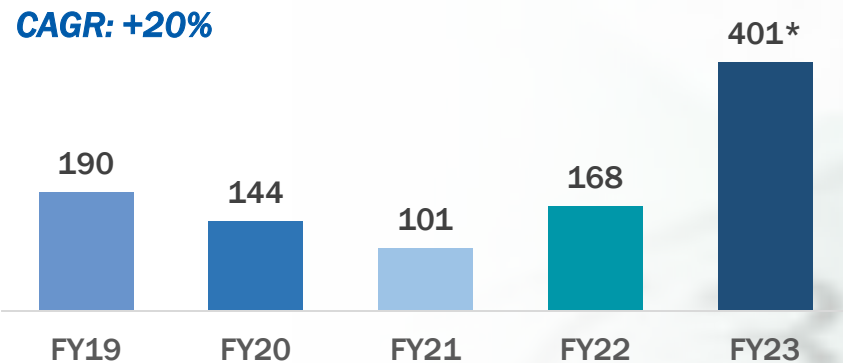
EBITDA (Rs in cr)

CAGR: +9%



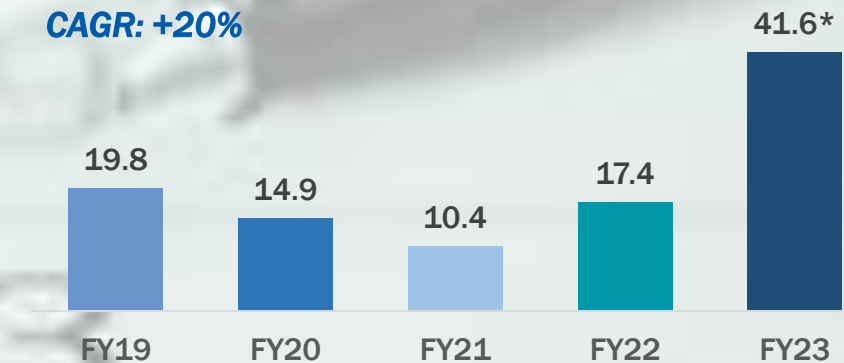
PAT (Rs in cr)

CAGR: +20%



Earnings Per Share (Rs per share)

CAGR: +20%



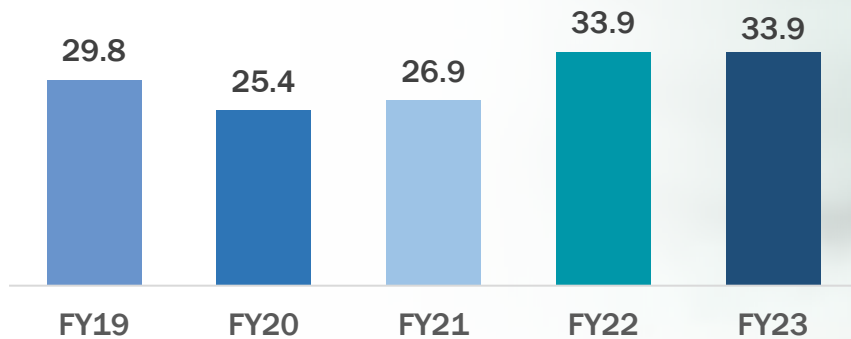
* FY23: Rs 261 cr without Thane property sales

* FY23: Rs 27.15 without Thane property sales

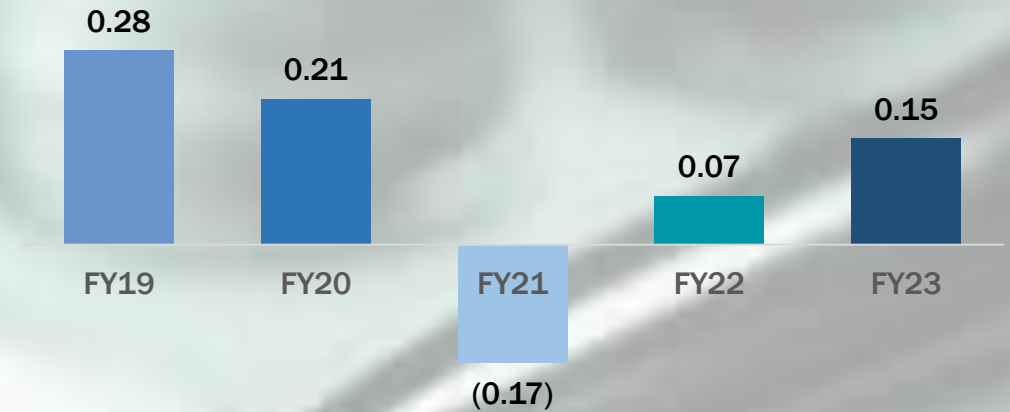
Key Performance Indicators

The company is in its growth phase and has consistently improved value addition to shareholders over the years

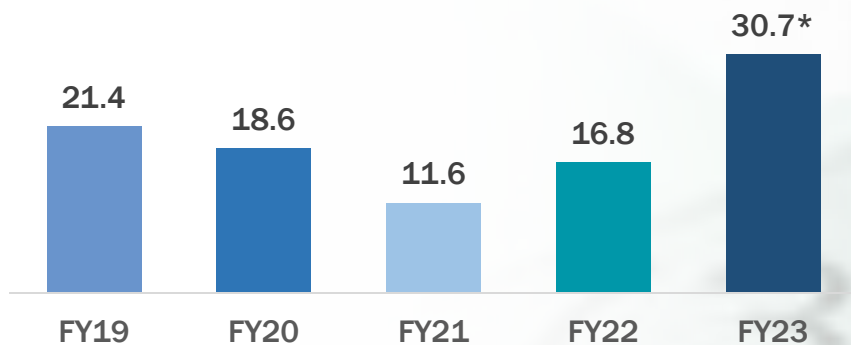
Return on Capital Employed (%)



Net Debt / Equity (times)

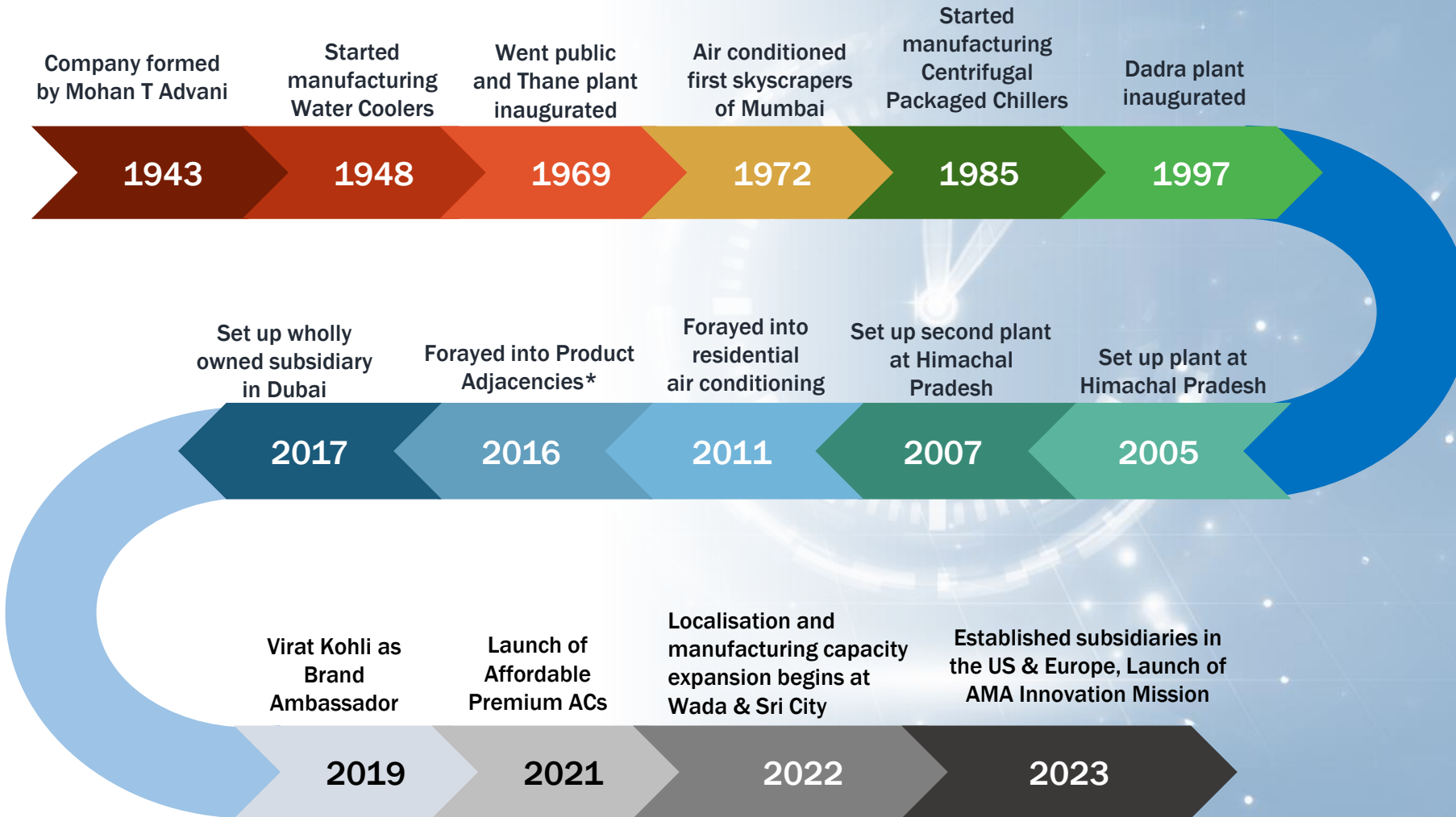


Return on Equity (%)



* FY23: 20.3% without Thane property sales

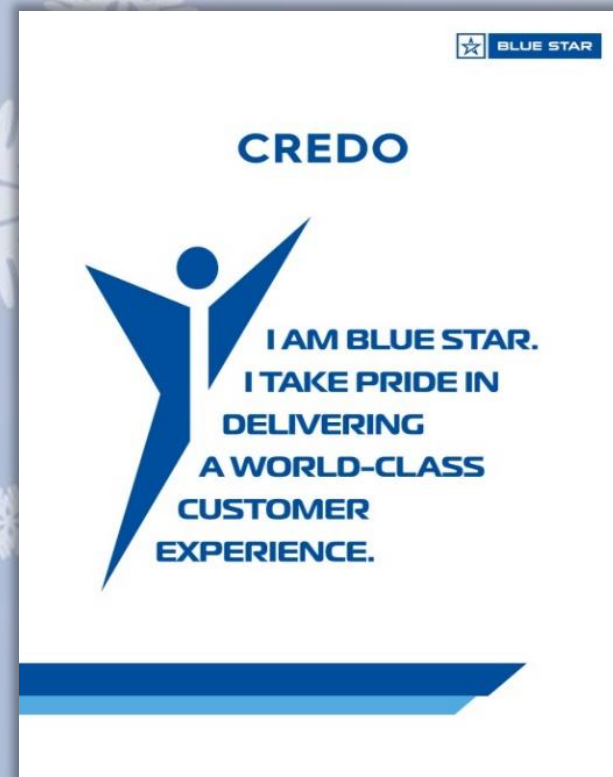
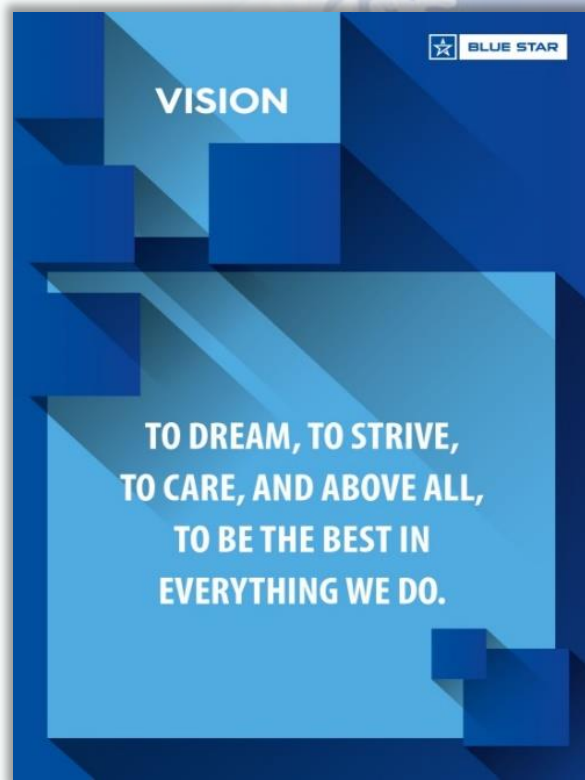
The Blue Star Journey



A 79-YEAR-OLD CORPORATION, 'BUILT ON TRUST' OF ITS STAKEHOLDERS

(* Air Coolers, Water Purifiers, Medical, Kitchen & Supermarket Refrigeration)

Vision, Credo and The Blue Star Way



The Blue Star Way

**11 core values and beliefs
that guide all Blue Starites
in the discharge of their
roles and responsibilities**

Balanced three-tiered Governance Structure; a firm foundation





The next phase of our journey...



Strategic Direction: Grow faster than the market

- Build scale by participating in and aggressively addressing the growth opportunities in HVACR products offered by aspirational Middle Class, MSMEs, Light Commercial and Tier 3-4-5 markets
 - **Air Conditioning**
 - Launch affordable range of Room ACs, new generation VRFs, Centrifugal Chillers
 - Deepen the distribution reach
 - Strengthen Blue Star brand salience in HSMs
 - **Commercial Refrigeration**
 - Introduce new range of Deep Freezers and Cold Rooms to retain market leadership
 - Scale adjacencies in Retail, Healthcare and Kitchen Refrigeration

Strategic Direction: Grow faster than the market

- **Scale MEP Business profitably with high focus on free cash flow**
 - Grow beyond the traditional Buildings segment, viz. Factories, Data Centres, Metro Rail, Railway Electrification, and Water
 - Be the Contractor of Choice through implementation of “Superior Project Delivery”
- Become a significant player in the international HVACR market by consolidating our position in the MEA region and making an entry in North America and Europe markets
- Scale Blue Star E&E by adding new lines of business in Medtech and Industrial Solutions markets



Strategic Direction: Profitability improvement

- Drive scale and achieve operating cost leverage
- Cross deploy and institutionalise Total Cost Management (TCM) culture across the businesses for acquiring cost leadership
- Strengthen product innovation and identify and implement process innovation
- Focus on indigenisation and backward integration
 - Indigenisation of Deep Freezers at Wada
 - Backward integration at Sri City





Strategic Direction: Excellence

Human Capital: Build a highly capable and engaged organization

- Be the preferred employer in the HVACR Industry; GPTW Trust Index is 81 in FY23 (vs. 69 in FY16 and 75 in FY19)
- Focus on Capability Building, including Leadership Development and Succession Planning
- Continued focus on improving Diversity and Inclusion

Continue to invest in future-ready R&D

- Invest in enhancing existing R&D capabilities and acquiring new skills and competencies
- Launch of the Ashok M Advani Innovation Mission to fast-track R&D and innovation programs supported by Innovation Centres



Strategic Direction: Excellence

Financial Capital: Enabling sustainable profits and growth

- Optimal capital allocation, value creation and financial discipline at the core
- Affordable capital structure to finance investment in growth
- Sustained working capital efficiencies to support growth

Digital First Strategy

- Enhance Information and Cyber Security with a 'Cloud First' strategy
- Digitalisation to enhance customer experience, operational effectiveness and productivity, especially in Sales and Service
- Leverage Analytics to create a data-centric organisation
- Implement IoT in new manufacturing units

Environmental Social & Governance (ESG)

- Continue to remain ahead of the curve in the areas of energy efficiency, ozone depletion, global warming mitigation measures, and e-waste management
- As a part of the Blue Star Net Zero Mission, map the carbon footprint across Blue Star manufacturing units and other establishments and invest in reducing the emission levels
- Pursue Circular Economy in business operations
- Continue to centre Social Strategy around:
 - Gender Diversity in Senior Management; Supplier Diversity
 - CSR activities related to vocational training and skill development in the areas of health, hygiene and wellness in a cause branding framework
- Maintain our high Governance standards

In conclusion...

- Continue to be guided by the shared Vision, Credo, and Blue Star Way
- Be a globally competitive HVACR player
- Profitability improvement is the most important strategic imperative
- Deliver differentiated world-class products, services, and solutions to meet customer expectations and address emerging market opportunities
- Significantly increase our commitment to innovation and R&D and manufacturing to remain ahead of the curve
- Attract and retain best-in-class talent
- Generate sufficient profits, strengthen the Balance Sheet, invest adequately in businesses, and pay good dividends consistently
- Continue the focus on sustainability





Blue Star: Built to Last, Built on Trust

Thank You