

Blue Star Limited
Band Box House, 4th Floor,
254 D, Dr Annie Besant Road,
Worli, Mumbai 400 030, India.
T : +91 22 6654 4000
F : +91 22 6654 4001
www.bluestarindia.com

February 25, 2020

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

Sub: Press Release

We are enclosing herewith a copy of the Press Release issued by the Company titled “**Blue Star launches a new range of ‘Premium-Yet-Affordable’ Residential Air Conditioners**”.

The aforesaid information is also being placed at the website of the Company, i.e. www.bluestarindia.com

Kindly take the same on record.

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



Vijay Devadiga
Company Secretary



Encl: a/a

Z:\01 Blue Star Limited\2019-20\Stock Exchange Compliances\Regulation 30 - Information and Updates\Press Release\13) 25.02.2020

PRESS RELEASE**Blue Star launches a new range of 'Premium-Yet-Affordable'
Residential Air Conditioners**

Blue Star, India's leading air conditioning brand, which is known for its premium products and has earned the trust of millions of customers with its range of innovative and elegant residential air conditioners, today announced the launch of its new range of best-in-class residential air conditioners. This new range caters to the expectations of those customers who desire premium, high-quality ACs but at attractive prices.

With this strategic foray into the 'Premium-Yet-Affordable' segment, Blue Star has rolled out a stunning range of 3-star inverter split air conditioners that are available at attractive prices starting from Rs 31990/- for a 1 ton 3-star inverter split AC and from Rs 37990/- for a 1.5 ton 3-star inverter split AC.

This new range of ACs retains the premium build quality which is the hallmark of Blue Star air conditioners. They are built to be highly reliable and durable and are virtually trouble-free. The ACs are also highly energy efficient, so running costs are low. Besides, the complete range runs on eco-friendly refrigerants.

Another significant aspect of this range of ACs is that each unit comes with a built-in voltage stabiliser that ensures trouble-free operations across a wide range of input voltage from 160V to 270V without the need for an external voltage stabiliser. This not only saves on the cost of the external stabiliser but it also does away with the need for space besides the nuisance of having to mount one beside the AC.

Blue Star also facilitates purchase of these ACs through easy financing options. Customers can avail of attractive finance at zero percent interest with easy EMI options. There are also cash-back offers via tie-ups with leading banks and finance firms.

All Blue Star inverter ACs are backed by an assured comprehensive warranty for the first year, and a long-term warranty of 10 years for the compressor. Customers can also avail of extended warranty options from the second year onwards for the next 5 years.

Innovative product range

Apart from the 'Premium-Yet-Affordable' range of air conditioners, Blue Star has also launched a series of innovative range of split air conditioners:

- Super energy-efficient 5-star inverter split AC with an ISEER of 5.41, which is 55% more energy-efficient compared to a 3-star inverter split AC.
- 5-star inverter split AC with in-built air purifier, which can remove 99.78% of particulate matter (PM 2.5) and microbial kill rate of 99.999%. This can be operated just like an air purifier in winter, without the compressor being switched 'ON.'
- Next-gen wi-fi-enabled 5-star inverter split AC, which can be controlled from anywhere in the world, with smart options such as energy budgeting, customised sleep modes, climate control, and dual user setting, amongst others; it can also be operated through voice commands in both English and Hindi by using an appropriate interface device.
- 5-star inverter split AC that can deliver 30% more cooling based on the heat load inside the room. This is one of the more popular of Blue Star's innovations. Introduced in 2019, this range will be continued in 2020 as well.
- 4-star inverter split AC with Hot and Cool Technology which provides both, cooling and heating solutions throughout the year.
- Inverter split AC with 'iRest,' a unique fuzzy logic function, when activated, will switch automatically from air conditioning (cooling) mode to fan only mode, at the pre-designated time, to provide utmost comfort for undisturbed sleep.

Future ready products

- Future ready 3-star inverter split AC complying to the 2021 BEE energy-efficiency norms, with an ISEER of 3.90.

Manufacturing and R&D prowess

Blue Star's manufacturing footprint spans five state-of-the-art manufacturing facilities, and the Company has one of the best AHRI-certified R&D facilities in India with the largest talent pool of engineers having excellent capabilities in design and testing in the field of electro-mechanical engineering and electronics. This has helped the Company in incorporating cutting edge technologies in all its new product developments.

Distribution

Blue Star has a robust distribution network across India with 90% of the Company's transactional interface with its dealers and channel partners being digitised. At the same time, the Company continues to significantly expand its retail distribution reach. Blue Star's room air conditioners are available at 5000 outlets in 650 locations spread across the length and breadth of the country in various formats. Currently, Blue Star has 200 exclusive brand stores in the country, and work is in progress to increase it to 250 stores by the end of FY20. The products are also available on various e-commerce portals. The Company has a strong installation and service franchise network to support retailers.

Next phase of growth — Blue Star's room ACs — "Owned by Virat, Loved by Virat"

In its next phase of growth, Blue Star aims to shift orbit and accelerate growth by penetrating deeper across the length and breadth of India. By leveraging its brand salience, the Company intends to garner mass appeal cutting across geographies and demographics. To achieve this growth, Blue Star recently rolled out the new festive season campaign, which unveiled Virat Kohli's association with Blue Star's room air conditioners. Since Cricket has mass appeal in India and Virat Kohli's skills are unmatched in this game, this campaign is apt for the Company, as Blue Star's persona deeply resonates with both Cricket and Virat Kohli.

The Campaign began with the launch of a new TV commercial which highlights Blue Star's new range of room air conditioners that can deliver up to 30% extra cooling when needed, with an endorsement, "Owned by Virat, Loved by Virat."

The Company had also rolled out another new TV commercial that talks about its new and innovative product – an inverter AC with in-built air purifier which also bears the endorsement, “Owned by Virat, Loved by Virat.”

Today, Blue Star has unveiled yet another new TV commercial that talks about its latest innovative product – an inverter AC with Next-gen wi-fi-enabled and Voice Command Technology embedded in it. A simple voice command can turn on the air conditioner without the use of a remote or smart phone. This too bears the endorsement, “Owned by Virat, Loved by Virat.”

Virat Kohli on Blue Star

On his association with Blue Star, Virat Kohli said, “Blue Star is a well-established brand and definitely the best in cooling. So for me, it was a no-brainer to be associated with a brand like Blue Star. I've never shot a campaign like this where there so many quirks and so many things happening. It was very different from what I've done in the past. Definitely something that people are going to love to watch, I can guarantee that. Also, it nicely covered the many aspects of Blue Star’s versatility when it comes to their product.”

Products across various price points

With the penetration of room air conditioners in India as low as 5-6%, the room AC market continues to offer abundant opportunities for Blue Star. The Company has already made deep inroads into Tier 3, 4 and 5 towns with more than 60% of its sales coming from these markets. Going ahead, Blue Star intends to make deeper inroads into various customer segments and geographies and grow its market share with a wide array of superior and innovative products across various price points.

Blue Star’s innovative and super elegant air conditioners, with the capability of delivering best-in-class cooling, are well known for quality, reliability and durability, making Blue Star one of the significant players in the industry with a market share of around 12.5% in FY19, which the Company aims to increase to 15% by FY24.

Management outlook

Speaking to the Press at a conference held at Chennai, B Thiagarajan, Managing Director, Blue Star Limited, said, "I am glad that with this launch we are now present across the entire price spectrum of residential ACs, and offer the most comprehensive mix of innovative and future ready products, all of which can cater to the most specific and distinct requirement of any customer. I am positive that this, in conjunction with our association with Virat, will help us continue to expand further, cutting across geographies and demographics."

Place: Chennai

Date: February 25, 2020

For additional information, please contact: R S Priya, General Manager-Corporate Communications & Marketing Services, Blue Star Limited. Email: rspriya@bluestarindia.com Telephone: +91 44 43444009/ +91 98401 99941