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August 6, 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's consolidated revenue for Q1FY21 at Rs 626.02 crores**".

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

\\172.16.31.16\Legal and Secretarial Documents\01 Blue Star Limited\2020-21\Stock Exchange Compliances\Regulation 30 - Information and Updates\Press Release\06.08.2020

PRESS RELEASE

Blue Star's consolidated revenue for Q1FY21 at Rs 626.02 crores

The financial performance for the quarter needs to be viewed in the context of it being a challenging period for the economy as a whole, and the HVAC&R industry in particular due to the economic disruption caused by the on-going pandemic. Most part of the summer season was lost and a majority of the project sites remained shut. Therefore, the results for Q1FY21 are not comparable with that of Q1FY20.

Consolidated Financial Performance for Q1FY21

- The Company has reported Revenue from Operations of Rs 626.02 crores for the quarter ended June 30, 2020 on a consolidated basis, compared to Rs 1575.45 crores during the same period in the previous year.
- The Operating Profit (PBIDTA excluding Other Income and Finance Income) for the quarter was Rs 1.36 crores compared to Rs 114.85 crores in Q1FY20.
- Net loss for the quarter was Rs 19.66 crores compared to net profit of Rs 76.84 crores in Q1FY20. Swift actions taken to reduce operating costs helped mitigate the adverse profitability impact to a large extent.
- Other Income (including Finance Income) for Q1FY21 was Rs 8.61 crores compared to Rs 21.66 crores in Q1FY20. Other Income in Q1FY20 was higher on account of receipt of an industrial promotion subsidy for the manufacturing facility at Wada.

- Finance Cost for the quarter increased to Rs 18.54 crores from Rs 8.23 crores in Q1FY20 due to additional borrowings and increased cost of funds.
- There is a Tax credit of Rs 9.52 crores for Q1FY21 arising from loss for the quarter. The Tax expense for Q1FY20 was Rs 32.52 crores (effective tax rate of 30.1%).
- Earnings per share for Q1FY21 (Face value of Rs 2.00) was Rs 2.04 negative vis-à-vis Rs 7.98 positive in Q1FY20.
- Carried Forward Order Book as on June 30, 2020 was Rs 2919 crores compared to Rs 2841 crores as on June 30, 2019.
- We raised Rs 350 crores during the quarter through issuance of non-convertible debentures to fund working capital and to build liquidity on the Balance Sheet. Consequently, net borrowings increased to Rs 428.53 crores as on June 30, 2020 as compared to a net cash balance of Rs 0.74 crores as on June 30, 2019.

Consolidated Segment Performance for Q1FY21

- Order inflow and revenue in the Electro-Mechanical Projects and Commercial Air Conditioning Systems segment were impacted due to the lockdown. Only a few sites were operational. Revenue for the quarter was at Rs 312.44 crores compared to Rs 623.94 crores in Q1FY20. The segment reported a negative margin in Q1FY21 as a consequence of reduced scale and also due to prudent creation of provisions for certain receivables and enhanced credit loss in anticipation of the financial stress on commercial real estate and infrastructure sectors.
- Unitary Products revenue degrew by 69.7% to Rs 274.85 crores from Rs 906.89 crores in Q1FY20. Though some of the stores opened up in May post the gradual lifting of the lockdown restrictions, low footfall and the relatively higher inventory with the channels impacted revenues. Inability to sell during a substantial part of the peak selling summer season combined with additional burden of demurrage and detention charges due to the lockdown resulted in erosion of margins.

- The Professional Electronics and Industrial Systems Business revenue was Rs 38.73 crores in Q1FY21 compared to Rs 44.62 crores in Q1FY20. The Segment results grew to Rs 10.18 crores from Rs 4.42 crores in Q1FY20. Data Security Systems business continued to perform well due to the digitisation initiatives in the BFSI sector. Demand for Healthcare products picked up in the latter part of the Quarter.

Outlook

Vir S. Advani, Vice Chairman & Managing Director, Blue Star Limited adds, "While Q1FY21 was an extremely challenging quarter, we have been swiftly navigating and responding to the prevailing difficult situation with prudent and proactive measures. We continue to focus on ramping up revenue and diligently managing working capital controlling operating costs. We have cut the operating costs in line with the potential revenue loss and infused capital through long-term debt to strengthen the resilience of our balance sheet.

The carried forward order book is healthy, and we will continue to prioritise project execution based on cash flow. As far as the Unitary Cooling Products business is concerned, we are maintaining market share in all categories. The demand is growing on month to month basis and it is expected to normalise by Q4FY21. Growing investments by both public and private sectors in digitisation and healthcare segments are expected to provide opportunities for the Professional Electronics and Industrial Systems business.

We are confident of overcoming this challenging phase with conviction and agility."

Place: Mumbai

Date: August 6, 2020

*For additional information, please contact: R S Priya, General Manager-Corporate Communications & Marketing Services, Blue Star Limited. Email: rspriya@bluestarindia.com
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