



BLUE STAR



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# Research Report

## Blue Star Limited



Prepared By-

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# About

Blue Star Limited is a leading Indian air conditioning and commercial refrigeration company founded in 1943 and headquartered in Mumbai. The company manufactures room air conditioners, commercial refrigeration systems, water purifiers, and air coolers while also providing MEP contracting solutions. Blue Star serves residential, commercial, and industrial customers through a strong distribution and service network across India and international markets, focusing on energy-efficient cooling technologies and infrastructure solutions.

## Business segments

FY25 Revenue Contribution of Blue Star Limited business segments:

- Electro-Mechanical Projects & Commercial Air Conditioning Systems – 50.1%
- Unitary Products – 46.9%
- Professional Electronics & Industrial Systems – 2.9%

These percentages are based on FY25 consolidated segment revenues. Blue Star Limited delivers innovative cooling, refrigeration, and infrastructure solutions powering homes, businesses, and industries across global markets.

## Synopsis of Financials

Synopsis of Financials – FY26

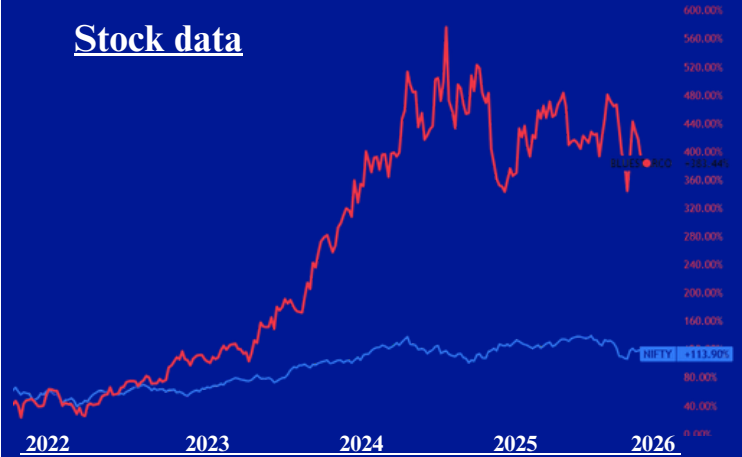
- Revenue from Operations: ₹12,402 Cr
- EBITDA: ₹972 Cr
- Net Profit: ₹527 Cr
- Profit Before Tax (PBT): ₹703 Cr
- EBITDA Margin: 7.8%
- Net Profit Margin: 4.2%

**Strong growth driven by room AC demand, commercial cooling projects, and expanding distribution network.**

## Stock data (as 20th May 2026)

Nifty Price	: 23,506.
52 week High (in Rs.)	: 215.42
52 week Low (in Rs.)	: 114.96
Market Cap. (in Crore)	: 87,932.00
NSE Code	: INE208A01029

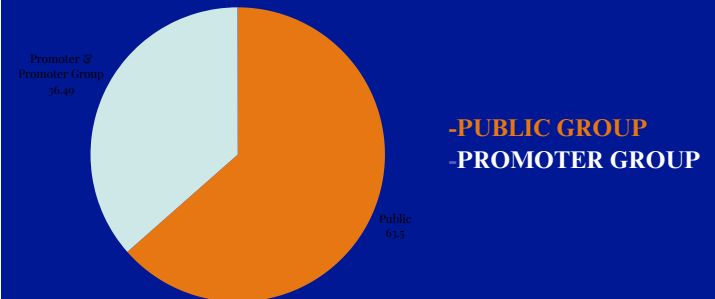
## Stock data



-NIFTY50

-LTI Mindtree Limited

## Shareholding Pattern (March 2026)



-PUBLIC GROUP  
-PROMOTER GROUP

## Financial Summary

Particulars	Mar-2024	Mar-2025	Mar-2026
Sales	9,685	11,968	12,402
Sales Growth %	21.41%	23.56%	3.63%
Expenses	9,017	11,089	11,472
Operating Profit	669	879	930
OPM %	7%	7%	8%
Net Profit	414	591	527
EPS in Rs	20.18	28.75	25.66

# Quarterly Results



Particular	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26
Sales -	2,276	2,807	4,019	2,982	2,422	2,925	4,072
YOY Sales Growth %	20.40%	25.26%	20.77%	4.08%	6.43%	4.20%	1.32%
Expenses +	2,127	2,599	3,740	2,784	2,240	2,705	3,746
Operating Profit	149	209	279	199	182	220	326
OPM %	7%	7%	7%	7%	8%	8%	8%
Other Income +	19	21	24	16	10	-44	45
Interest	6	16	19	10	17	22	23
Depreciation	30	35	35	41	43	46	48
Profit before tax	131	179	249	163	132	108	300
Tax %	27%	26%	22%	26%	25%	25%	24%
So. Net Profit +	96	132	194	121	99	81	227
EPS in Rs	4.68	6.45	9.42	5.88	4.82	3.92	11.04

## Key Ratios

Sr. No.	KEY FINANCIAL RATIOS	UOM	FY24	FY25
1	Debtors Turnover Ratio	Times	5.5	6.1
2	Inventory Turnover Ratio	Times	5.2	5.1
3	Interest Coverage Ratio	Times	15.1	33.4
4	Current Ratio	Times	1.3	1.3
5	Debt Equity Ratio	Times	0.1	0.1
6	Operating Profit Margin	%	6.9	7.3
7	Net Profit Margin*	%	4.3	4.8
8	Return on Net Worth*	%	21.0	20.6

# Yearly Results

Particulars	Mar-24	Mar-25	Mar-26
Equity Capital	41	41	41
Reserves	2,569	3,024	3,390
Borrowings	243	381	810
Other Liabilities	3,758	4,803	4,335
Total Liabilities	6,611	8,249	8,576
Fixed Assets	1,165	1,536	1,768
CWIP	127	123	65
Investments	267	432	457
Other Assets	5,053	6,158	6,285
Total Assets	6,611	8,249	8,576

# Synopsis Quarter Results

## Concall Notes - Mar-2026: Key Highlights

### Blue Star Limited – Q4 FY26 Financial Analysis

Blue Star Limited delivered a strong operational performance in Q4 FY26, supported by rising demand for cooling products, improved execution in commercial projects, and continued expansion in the room air-conditioner market. The company reported consolidated revenue from operations of ₹4,072 crore, compared to ₹4,019 crore in Q4 FY25, reflecting stable year-on-year growth despite a challenging competitive environment.

The company's profitability improved significantly during the quarter. Profit Before Tax (PBT) increased to ₹300 crore from ₹249 crore in the corresponding quarter last year, while Net Profit rose to ₹227 crore against ₹194 crore in Q4 FY25. Earnings per share also improved to ₹11.05 from ₹9.44, indicating stronger shareholder returns and operational efficiency.

Segment-wise, the Electro-Mechanical Projects & Commercial Air Conditioning Systems business generated revenue of ₹1,990 crore, while the Unitary Products segment contributed ₹1,985 crore during the quarter. The Unitary Products business, which includes room air conditioners and commercial refrigeration products, continued to benefit from increasing consumer demand, premium product offerings, and wider distribution reach across India.

Blue Star also maintained healthy operating margins. Operating Margin improved to 8.01% in Q4 FY26 from 6.95% in Q4 FY25, supported by better product mix, cost optimisation, and scale benefits. The company's balance sheet remained stable with a debt-equity ratio of only 0.18, reflecting disciplined financial management and comfortable leverage levels.

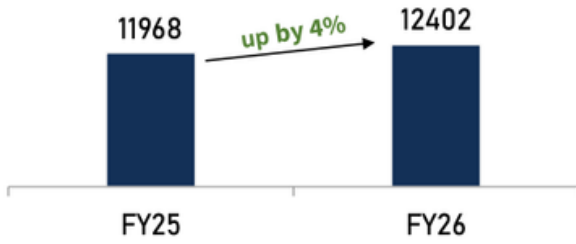
For the full year FY26, the company reported consolidated revenue of ₹12,402 crore and net profit of ₹527 crore, demonstrating resilience in both consumer and infrastructure-linked businesses. The Board of Directors recommended a final dividend of ₹8.5 per share, reflecting confidence in future cash flows and business growth.

Going forward, Blue Star is expected to benefit from rising urbanisation, increasing penetration of air conditioners in India, strong summer demand, growth in commercial infrastructure projects, and government-led infrastructure investments. However, raw material price volatility, competitive pricing pressure, and seasonal demand fluctuations remain key risks for the company. Overall, Blue Star's Q4 FY26 results highlight strong execution capabilities, improving profitability, and long-term growth potential in India's expanding cooling and refrigeration industry.

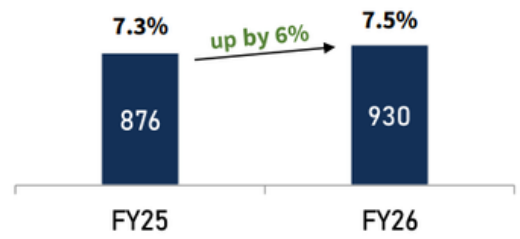
# Highlights



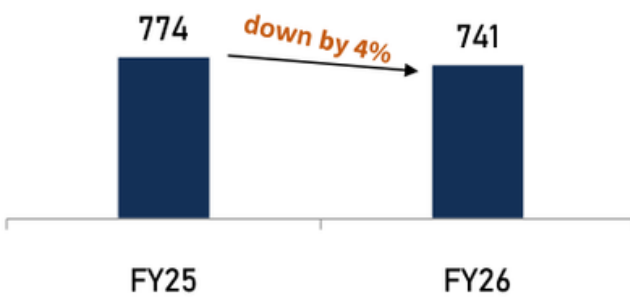
Revenue (₹ cr)



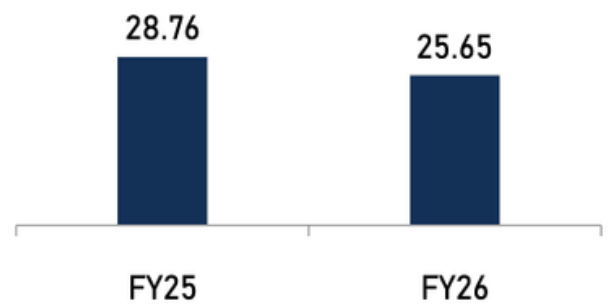
EBITDA (₹ cr)



Profit before tax (bei)^ (₹ cr)



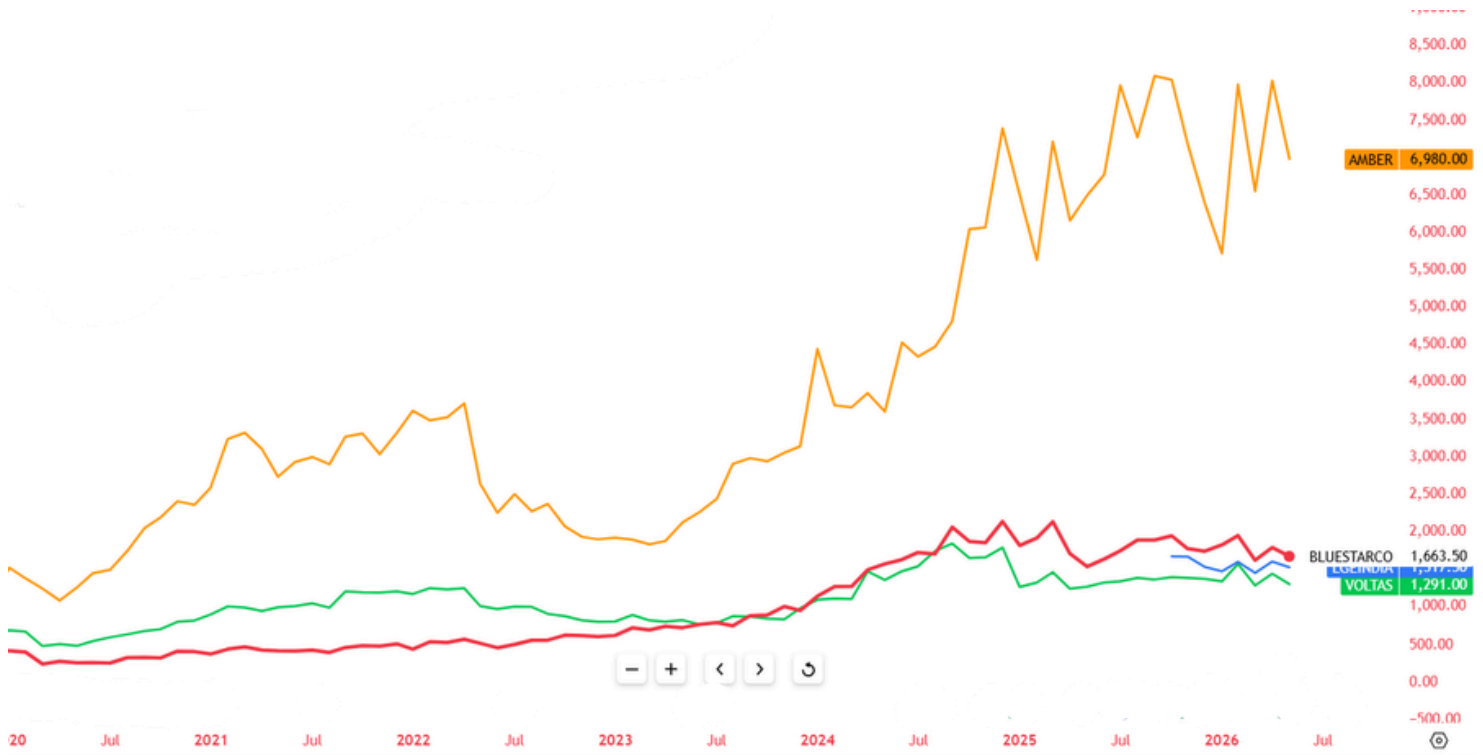
Earnings per share (EPS) (₹)



# Peer Comparison



## Peer Stock Performance (5Y) Indexed



Source: Trading View

## Peer Financial Performance

Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	NP Qtr Rs.Cr.	Qtr Profit Var %	Sales Qtr Rs.Cr.	Qtr Sales Var %	ROCE %
<a href="#">LG Electronics</a>	1515.45	49.99	102864.57	0	89.67	-61.59	4114.39	-6.4	56.83
<a href="#">Voltas</a>	1290.75	108.61	42708.94	0.54	113.43	-51.8	4887.83	2.52	9.04
<a href="#">Blue Star</a>	1670.35	61.69	34344.87	0.54	227.18	10.41	4072.06	1.32	21.17
<a href="#">Amber Enterp.</a>	6983	124.24	24593.96	0	161.96	-19.47	4147.52	10.49	10.25
<a href="#">Crompton Gr. Con</a>	288.3	53.01	18564.07	1.03	-536.81	-31.74	2083.3	10.9	18.98

Source: Screener

# Final Outlook

**BLUESTARCO: HOLD | LTP: 1685.00**

Final Outlook – Blue Star Limited (FY26)

Blue Star Limited continues to strengthen its position as one of India's leading cooling and refrigeration companies, supported by strong execution, rising consumer demand, and expanding infrastructure opportunities. The company delivered a healthy FY26 performance despite competitive market conditions and raw material volatility, reflecting operational resilience and strong brand positioning.

For FY26, Blue Star reported consolidated revenue from operations of ₹12,402 crore, compared to ₹11,968 crore in FY25, while Profit Before Tax stood at ₹703 crore and Net Profit reached ₹527 crore. Earnings per share remained healthy at ₹25.65. The company also generated strong quarterly momentum in Q4 FY26 with revenue of ₹4,072 crore and net profit of ₹227 crore, supported by strong summer demand and improved product mix.

Segment-wise, the Electro-Mechanical Projects & Commercial Air Conditioning Systems business remained the largest contributor with annual revenue of ₹6,763 crore, while the Unitary Products segment contributed ₹5,332 crore during FY26. This highlights balanced growth across infrastructure projects and consumer cooling products, reducing dependence on a single business segment.

India's room air-conditioner market continues to offer long-term structural opportunities due to low AC penetration, rising temperatures, urbanisation, and increasing disposable incomes. Blue Star is strategically positioned to capture this demand through premium product offerings, expanding dealer networks, manufacturing investments, and localisation initiatives. The company's investments in R&D, smart cooling technologies, and energy-efficient products are likely to support future margin expansion.

Blue Star's balance sheet remains relatively healthy with a debt-equity ratio of 0.18, reflecting disciplined capital allocation and manageable leverage levels. The company also recommended a final dividend of ₹8.5 per share for FY26, demonstrating confidence in cash-flow generation and long-term business prospects.

Going forward, growth is expected to be supported by commercial infrastructure expansion, data centres, metro projects, healthcare infrastructure, industrial cooling demand, and increasing residential AC adoption. However, competitive pricing pressure, seasonal fluctuations, raw material inflation, and supply-chain risks remain key challenges.

Overall, Blue Star appears well positioned for sustained long-term growth with strong industry tailwinds, diversified operations, improving profitability, and continued investments in manufacturing, innovation, and market expansion.

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