Bluspring

Date: August 02, 2026

To,

BSE Limited,
1st Floor, New Trading Ring,
Rotunda Building, PJ Towers,
Dalal Street, Mumbai – 400 001
Scrip Code: 544414

National Stock Exchange of India Limited
Exchange Plaza, Bandra- Kurla Complex, Bandra (East), Mumbai – 400 051
NSE Symbol: BLUSPRING

Dear Sir/ Madam,

Sub: Transcript of Earnings Call – Q1 FY27

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Transcript of the Earnings Call held on August 01, 2026. The above information is also available on the website of the Company at https://bluspring.com/financial-information/

Request you to please take the same on record.

Yours sincerely,

For **Bluspring Enterprises Limited**

ARJUN SUNIL MAKHECHA
Digitally signed by ARJUN SUNIL MAKHECHA
Date: 2026.08.02 21:06:55 +05'30'

Arjun Sunil Makhecha
Company Secretary & Compliance Officer
Membership no. ACS 29253

Encl: as above

“Bluspring Enterprises Limited

Q1 FY27 Earnings Conference Call”

August 01, 2026

MANAGEMENT: **MR. KAMAL PAL HODA – CHIEF EXECUTIVE OFFICER – BLUSPRING ENTERPRISES LIMITED**
MR. PRAPUL SRIDHAR – CHIEF FINANCIAL OFFICER – BLUSPRING ENTERPRISES LIMITED
MR. NIBODH SHETTY – HEAD, INVESTOR RELATIONS – BLUSPRING ENTERPRISES LIMITED

Moderator: Ladies and gentlemen, good day and welcome to the Bluspring Enterprises Limited Q1 FY27 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference call over to Mr. Nibodh Shetty, Head of Investor Relations. Thank you and over to you, sir.

Nibodh Shetty: Thank you, operator. Good morning, everyone. Thank you for joining Bluspring Enterprises Limited Q1 FY27 Earnings Call. At this point, we would like to highlight that today's discussion may include forward-looking statements which are based on current expectations and are subject to business risks, regulatory changes, macroeconomic, and geopolitical conditions.

We do not guarantee these statements or results and are not obliged to update them at any given point of time. These statements should be read in conjunction with the safe harbor clause provided in Slide number 2 of our investor presentation. With that backdrop, I hand the call over to our CEO, Mr. Kamal Pal Hoda for his opening remarks, followed by our CFO, Mr. Prapul Sridhar. Over to you, Kamal.

Kamal Pal Hoda: Thank you, Nibodh. Good morning and a very warm welcome to each of you joining us on this call today. It's a genuine privilege to engage with you once again and to share what has been, by any measure, a defining and momentous quarter in Bluspring's continuing journey. We completed one full year of listing on June 11, and we are proud that we delivered on all fronts in our first year.

We've concluded the acquisition of STEAG Energy Services India Private Limited, or STEAG, on May 21, 2026, and the numbers of STEAG have been consolidated from that date in our financials. STEAG, as envisaged, has been a transformational acquisition for us and is elevating our organization to a new growth trajectory.

As announced earlier, we won 4 large multi-year deals at STEAG, which would contribute to over INR 5,100 crores to Bluspring's top line over the next 5 years. 3 out of the 4 deals have gone live since July 1, and 4th one would commence from the 1st week of August. We are also in process of closing our second acquisition of LSG Sky Chefs India Private Limited in next couple of weeks.

As a part of this transaction, we are acquiring the Bengaluru operations of LSG India, which is a leading in-flight catering company. Bengaluru Airport is the fastest-growing airport in India and has recently surpassed Mumbai to become the second largest airport in India by passenger footfalls.

LSG India caters to world's fastest-growing major airline IndiGo, in addition to other major international carriers like Etihad, Qatar Airways, and Lufthansa. This is a high entry barrier, high margin, and highly regulated business with multi-year contractual cash flows. We have multi-year contracts with airlines we cater to, and we have a concession agreement with the airport operator to operate this kitchen till 2039.

Airline catering is a niche business with high quality and consistency standards. LSG India clocked annual revenue of INR112 crores in FY26 and EBITDA margins in high teens. The company is debt-free and has a free cash balance of INR 57 crores in addition to deposit given to BIAL. We would acquire the company for INR 166 crores including cash, subject to closing adjustments.

Coming to our quarterly performance. Our business continued its strong growth trajectory during the quarter, with 2 of our 3 core segments delivering strong double-digit growth. Telecom and industrial business were primarily growth drivers, complemented by contributions from security services.

Although Q1 is traditionally impacted by seasonal factors including education institutions being shut for vacations and slower telecom deployment activity, we maintained strong operational momentum. Additionally, we effectively managed inflationary pressures in our food business stemming from supply chain disruptions in the Middle East, resulting in strong overall financial performance for the quarter.

Coming to our quarterly performance, excluding our investments in foundit, revenue for Q1 FY27 was up 20% year-on-year. Our sales and operations engine continued to deliver and we mobilized 77 new contracts with annual contract value of INR132 crores during the quarter.

EBITDA for the quarter stood at INR35 crores, up 48% year-on-year. EBITDA margin stood at 3.8% compared to 3.1% during the same quarter last financial year. We recorded PAT of INR16 crores, up 34% year-on-year. EPS for the quarter stood at INR1.1 per share.

Now coming to segment-wise updates, starting with facility and food services. This segment continues to be the largest driver for our business, contributing to over 55% of our revenues. The segment clocked revenue of INR520 crores for the quarter, growing 9% year-on-year, however flat quarter-on-quarter due to seasonality in food business as mentioned, due to education institutions are shut for vacations.

The year-on-year growth in revenue was aided by strong sales momentum across the facility and food business with new clients being onboarded. Despite seasonality and impact of higher LPG prices playing out during the quarter, the EBITDA grew 25% year-on-year to INR 24 crores, and EBITDA margins held steady at 4.6%.

The EBITDA growth was driven by volume growth, reduction in low margin clients during the previous year, and effective management of operating costs.

Moving to security services. The security business continued to break previous quarter's record of total headcounts and registered a new high crossing 24,900 headcounts.

In this quarter, we added almost 900 security guards. The segment clocked highest ever revenue of INR185 crores during the quarter, growing by 24% year-on-year. EBITDA for the quarter stood at INR5 crores, up by 37% year-on-year. The focus of the business continues to add -- continues to be adding new logos, increasing business from existing clients, and further strengthening sourcing channels to enable faster mobilization.

Moving on to our third segment, which is Smart Infra, Energy, and Engineering. Please note that the erstwhile 'Telecom and Industrial' segment has been named, renamed as 'Smart Infra, Energy, and Engineering' with effect from April 1, 2026. The segment was previously presented as Telecom and Industrials up to March 31, 2026.

For us, employees' well-being and safety remains paramount. We continue to report zero on-job fatalities in this quarter. This was achieved on back of strong emphasis and investments in trainings, health, and safety.

This vertical logged over 5,000 health and safety training hours in Q1 alone in FY26. The segment revenue recorded INR229 crores in Q1 FY27, up 47% year-on-year. STEAG added INR76 crores to the quarterly revenue, aiding this strong growth. Telecom business witnessed a slowdown in Q1, however, we are seeing signs of capex revival by large telecom players from Q2 onwards.

This would help us clock better full-year numbers than last year within this vertical. EBITDA for this segment stood at INR21 crores, up 80% year-on-year. EBITDA margin stood at 9.3% for the quarter compared to 8.2% during Q1 of the last financial year.

Moving on to foundit. During our previous quarter's earnings call, we had highlighted that the focus for Q1 is on -- will be on strategic sales, marketing spends to accelerate active job seeker growth, search engine optimization, and maintaining revenue trajectory. We have delivered on the same.

However, this led to an increase in expenses along with merit increases. Q1 is a weak quarter for recruitment platforms, however, we defied this trend as the revamped product is being received well by the clients, and we registered another quarter at strong sales of INR25 crores after recording a similar number of INR26 crores during Q4 FY26, which stands as a test amount to our -- testament to our revamp product and business strategy.

This is 50% revenue increase year-on-year and 80% increase on B2B core business. While the spends would continue for a quarter before coming down again, we will see the sales number translate into revenue, helping us reach break-even by end of this financial year.

For Q1 FY27, foundit delivered a revenue of INR19 crores. All key product metrics such as new search profiles, total traffic, and 6-months active have shown growth quarter-on-quarter. The 1-month active user remained flat.
In foundit, we are further accelerating our AI adoption across 8 charters, internal and customer-facing, which will help in keeping costs in control and increasing productivity.

On product, in this sprint, we launched ML-powered recruiter search and graph-based recommendations, which help in recruiter productivity and are ARPU accretive. Internal charters across marketing and finance, we have automated 8 processes with accretive efficiency kicking in from Q3.

This is in line with our commitment to be EBITDA profitable by the end of this financial year. Before I hand over the call to Prapul, I would throw some light on how this financial year is playing out for us.

The robust business performance delivered during this quarter, this was just a precursor of the quarters to come. We see transformational impact of the acquisition to become evident from Q2 onwards, and we will be at our inflection point.

For FY27, excluding our investment businesses:

we intend to cross of over INR4,700 crores of revenue, growing 42% year-on-year, EBITDA of over INR200 crores, growing by 65% year-on-year, and PAT of over INR100 crores, growing by 50% year-on-year.

We intend to exit the year with over 5% EBITDA margins, and our ROE would expand from nearly 7% in FY26 to almost 13% in FY27. We will also focus

on integrating the two acquired entities, aggressively repaying the acquisition debt, and unlock synergies with our existing core businesses in the quarters ahead.

With this backdrop, I will now hand it over to our CFO, Prapul Sridhar for the financial deep dive. Over to you, Prapul.

Prapul Sridhar: Thank you, Kamal, and a very good morning to all of you present in this call. Let me take you through our financial performance excluding foundit for the quarter.

During the period, we reported revenues of INR930 crores, a growth of 20% year-on-year and 10% sequentially. The growth numbers also include STEAG's performance effective May 21, 2025. We continue to have a well-diversified client base and sector base, with top 30 clients contributing to less than 50% of our revenues.

Post STEAG's addition into the portfolio, our sector mix will undergo a shift towards industrial vertical, which currently is at 23% to over 40% of revenues through the financial year. Our overall workforce stands today at 97,000, a growth of 3,300 quarter-on-quarter. The recruitment, training, development, deployment, and retaining of this large workforce who operate pan-India is no mean feat and are difficult to replicate. The costs are spread across over a large base, which brings in economies of scale and lowers our cost to serve.

The EBITDA for the quarter stood at INR35 crores, up by 48% year-on-year and flat sequentially. The growth in EBITDA was aided by volume growth and margin expansion in our core businesses, along with inorganic addition of STEAG into our portfolio.

In Q1, we see some seasonality in telecom and food services. However, we have clocked better EBITDA margins and revenue compared to the last quarter -- last previous financial year's quarter. EBITDA margin for the quarter stood at 3.8% as compared to 3.1% during the same quarter last year. Our interest cost increased sequentially by around INR2 crores, owing towards borrowings done for inorganic acquisition of STEAG.

Our average debt remained at modest levels through the quarter, and we are confident of ending the financial year with net debt to EBITDA ratio below 1.

Our PAT for the quarter stood at INR16 crores, up by 47% year-on-year and 14% sequentially. The PAT growth was driven by expansion in business volumes and margins. Our working capital days stands same at 37 days compared to the previous quarter.

With the inorganic additions, we expect that the net working capital days would slightly go up in the coming quarters due to the nature of those business and contract structures.

Moving now to the segment performance. Our facilities and food services business continue to be our largest segment, contributing to 55% of our revenues. The revenue for Q1 was up 9% year-on-year and flat sequentially.

The revenue for the quarter stood at INR520 crores. The growth was driven by additions of new clients during the quarter at better margins. We added close to 40 new clients with an annual contract value of around INR89 crores. EBITDA for the quarter stood at INR24 crores, registering a growth of 25% year-on-year and down by 3% sequentially. The margin stood at 4.6% for the quarter compared to 4% during Q1 of the last financial year.

The margin expansion was aided by volume growth, better collection, and reduction in low margin contracts. Quarter-on-quarter, the margins declined on account of seasonality in food services and also inflationary pressures due to rise in LPG rates. The strong performance and uptake in security business continues.

Our headcount saw a new growth -- our headcount saw a new high at almost 25,000 count. Net add in the quarter were around 900 guards. This comes on the back of strong headcount addition of 2,900 guards in the previous year.

Our security services segment recorded revenues of INR187 crores for the quarter, a growth of 25% year-on-year and 10% sequentially. We mobilized close to 37 new clients with an annual contract value of INR43 crores. EBITDA for the business stands at INR5 crores for the quarter, up 43% year-on-year and a low by 12% sequentially, owing towards temporary margin pressures for the mobilizations. EBITDA margin stood at 2.8% in this vertical.

The Smart Infra, Energy, and Engineering segment, which was erstwhile classified as Telecom and Industrial vertical, recorded a revenues of INR223 crores in Q1, up by 47% year-on-year and 42% sequentially. The growth was high on account of STEAG's addition to the portfolio, while the telecom vertical saw a muted quarter due to seasonality. EBITDA for the quarter in this segment was INR21 crores, recording a growth of 80% year-on-year and 17% sequentially.

Q1 is always a seasonally weak quarter for telecom business as companies go slow on their network rollouts. Despite seasonality, we saw EBITDA margins reach 9.2% for the quarter compared to 8.2% during the same quarter last year. In STEAG, we won four large contracts in India, which contribute to over INR5,200 crores to Bluspring's top line over the next five years.

Coming to our second acquisition announced during the last quarter, the acquisition of LSG India would elevate our food brand to a higher pedestal.

On FY26 pro forma basis, it would add over INR110 crores to our top line with high teen EBITDA margins. The business model is annuity-based with contracts with airlines running across several years. The contracts are complex and adequate safeguards for inflation. The transaction is ROE and PAT accretive. We plan to fund the acquisition primarily through debt and internal accruals.

Our priorities for the financial year is to repay the acquisition debt aggressively following the integration.
Coming to foundit, we continue to clock high sales, which supports our strategy of revamp product. As indicated in earlier quarters, we continue on our intention to increase marketing spends to fuel revenues from the current levels.

We believe this is a necessary step to build our database and make our business deliver better margins in the quarters ahead. The business recorded a sales of INR25 crores as compared to INR26 crores in the previous quarter. This converts into a revenues of INR19 crores for the quarter and EBITDA losses around INR14 crores. We expect the EBITDA burn for the financial year to be in the range of INR30 crores to INR35 crores.

To conclude, it has been a very productive quarter with one of the two acquisitions announced completed. While we welcome STEAG to our portfolio, we believe that our industrial vertical will have a significant improvement in our overall revenue pie along with a higher margin trajectory. We would be focusing on closing LSG India acquisition in the coming weeks.

Our target for this year is to integrate the two acquired entities, repay debt, and accelerate free cash generation. With a strong leadership team, favourable industrial tailwinds, differentiated platform, we remain focused on integration, synergy realization, deleveraging, and creating sustainable long-term value for all our stakeholders.

We are extremely confident that we will improve on all financial parameters in the coming quarters and deliver on the guidance. With that, I conclude my opening remarks and open the call for any questions. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Zaki Nasser, an Individual Investor. Please go ahead.

Zaki Nasser: Sir, congratulations on a very strong quarter. As we see the developments, each of your three divisions are coming out on their own and each of them looks like in the next two years will become sizeable enough. So what is your plan on how -- going forward next two years, sir, how do you how do you handle these three divisions in terms of them being entirely different in terms of implementation? Like STEAG, STEAG itself is a huge market opportunity. So, your thoughts on these three divisions, sir, in the next 2 years?

Kamal Pal Hoda: Thank you, Mr. Zaki. You are right. I think the quarter has started with all businesses coming to the party. See, if you see, I think there's been a structural shift compounding across every segment that we are operating. There is this macro trend of consolidation of vendors by clients at national level to reduce their administrative burden. There is this outsourcing shift which is happening, and two-third of the facility management is still in-house. So, the number is expected to reverse by 2030. And then there is GST and Labour Code shift which is bringing a bit of more formalization. And to add to this the industrial growth potential with the manufacturing push that's happening right now in India, plus we believe there'll be a lot of manufacturing revival that also happen in Middle East once the situations normalize there.

We feel that we have a phenomenal opportunity. Macro is creating once-in-a-lifetime opportunity for an integrated infrastructure services like us to go aggressively after the available growth in the market and consolidate this market. So, for each of these three businesses, there are independent leadership teams with capable managements to drive business across the platforms, looking at what is their right to win, their TAM, SAM, and a board oversight of what should be the growth target for each of these businesses.

Zaki Nasser: Yes. Within a short time, you all have got sizeable contract. So, what is the addressable size of this market, and can we expect -- would you be bidding for more of these contracts, because I believe there is a large market for these services, sir.

Kamal Pal Hoda: Yes. So, like I said, there is this intent of big companies to consolidate their vendor base, and these contracts that we've got in STEAG are actually testimony of that. We've got contracts where the large companies want end-to-end operations and maintenance of their very large complexes, power plants to be done by only one single player on an outcome basis.

What enables Bluspring to do this as a single player is, and that we've demonstrated in some of these large contracts that we've mobilized in the month of July, is all the businesses of Bluspring have come together under a single contract for our clients.

So, when we've taken over, let's say, a 2,000 MW single location power plant, STEAG has come with its vintage, German vintage of the technical know-how of the plant. Hofincons, which is another Bluspring industrial business, has taken over some of the other areas of the plant.

The IFMS team, the facility management team of Bluspring has taken over the facility, soft services, hard services, and the landscaping. So, we've I think created a model which we want to replicate. Like you said, there's a phenomenal opportunity and we would like to replicate this to some other companies as well, both in India as well as overseas, to become an end-to-end single outcome-based service provider for these clients.

Zaki Nasser: And sir, telecom capex is again looking up. So how would that pan out? And your thoughts on the next -- the transformation you took over LSG. How would you want to see LSG 2 years from now, sir?

Kamal Pal Hoda: Yes. So, telecom, you are right. I think we had a soft quarter 1, but we see some early signs in the month of July of new rollouts coming in for almost all large players. So, we are hopeful that the second half of the year including quarter 2 for telecom should be better, and which means telecom as a whole for our portfolio should do better year-on-year from an overall revenue and EBITDA standpoint.

As far as LSG is concerned, very early days for us. It's like explained, it's a very niche business, high-quality business, better margin business. Right now, we are focused on integrating this acquisition. We are expected to complete this acquisition in next couple of weeks, and we want to then integrate this with our food business. On a standalone basis, this is a INR100 crores plus revenue business in a -- at an airport which is the fastest-growing airport and working with an airline which is the fastest-growing airline in the world.

We want to expand this first within Bangalore basis the increased passenger traffic that is there at the airport. So organically this business has a potential to grow anywhere between 15% to 20%, but after a couple of years, we'll probably reach the capacity, maximum capacity of this kitchen. But we would want to, like I said, over 2 years, we want to leverage with experience. This is a high entry barrier segment, and now that we will have an experience of this, we want to leverage this experience.

India as a geography the air passenger traffic is constantly increasing, there are new airports that are coming across multiple cities, and the whole, I think, whole travel experience in the country is increasing by the day. So, we will definitely have a part to play with this acquisition and this business also brings in high-quality service experience for our other food businesses, so I'm sure some of our other clients will also get advantage of high service quality experiences that we will learn from this business.

Zaki Nasser: Sir, and would it be safe to assume, sir, next year foundit will be EBITDA positive or at least EBITDA neutral, and would you want to call it a fourth business vertical of Bluspring next year once you turn it around, sir?

Kamal Pal Hoda: So foundit, the immediate focus, Mr. Zaki, is to increase the revenue and bring it to a break-even within this financial year. As you would have seen quarter 1 while the burn looks INR14 crores, but it's been a phenomenal quarter for the first time we've been able to repeat quarter 4's performance in quarter 1 by doing INR25 crores of sales.

And this is a subscription-based sales, B2B sales, and the revenue in the P&L has, let's say, a couple of quarters of catch up, so the numbers that we are reporting in sales, you'll start seeing those numbers coming in the P&L in couple of quarters. And then obviously sales continue to go up in Q2, Q3, gives us a lot of confidence that we will exit the year with Q4.

With that's what the entire management team of foundit and Bluspring is right now working upon. As explained in our previous calls, once we achieve that, we as a company, we would want to monetize this asset, and use some of the proceeds from that to accelerate the debt repayments that we've taken for some of our other acquisitions.

Zaki Nasser: Thanks, sir. And will we end the year at an employee count of 1,10,000, sir?

Kamal Pal Hoda: Yes. We do not target headcount numbers, Mr. Zaki. We target revenue and EBITDA growth numbers, which I did give guidance. So, we are wanting we've crossed from a headcount perspective 97,000 in Q1. July month is progressing. We've already crossed close to around 1,00,000.

But I'd like to stick to the guidance of crossing almost INR4,700 crores of revenue, which will at least be a 42% year-on-year growth in revenue, an EBITDA in excess of INR200 crores, which should be 65% year-on-year growth, and a PAT growth of in excess of INR100 crores, a growth of almost 50% plus year-on-year. So that's the guidance we'd like to be responsible for.

Zaki Nasser: Fantastic, sir. Best wishes for the year. And if I may, sir, I would I would like to ask Mr. Prapul, how the exit of the year would see the debt profile at long-term versus working capital?

Prapul Sridhar: Yes. So as of now, we stand at a gross debt of around INR307 crores with a cash balance of around INR135 crores. Our net debt is around INR172 crores. What we foresee is that our organic businesses, while at a closing level will show a net debt of 0, but we will continue to have an average debt of around INR150 to INR175 crores. That means to that extent we will have our interest payments coming in.

On top of it, we will have roughly around INR150 odd crores of debt considering the LSGdebt also that we'll take further around INR125 crores in couple of weeks. So, with that, you should see only around INR150 crores of acquisition debt by the end of the year with organic debt being 0 at a closing level. However, the point is organic debt will always have an average debt position of around INR150 crores to 175 crores. That's the position.

Zaki Nasser: Thank you, sir. That's it.

Moderator: Thank you. The next question is from the line of Divyansh Jain from Trinetra Asset Managers. Please go ahead.

Divyansh Jain: Hi, sir. Thank you for the opportunity. So, my first question on like beyond the winning more new contracts and making new contracts, what the initiative your company is making to increase the wallet share from the existing enterprise monthly like any plans to more cross-selling and offer multiple service offering to improve the profitability?

Kamal Pal Hoda: Sure. Thanks, Divyansh. Yes, that's an immediate priority. As I explained in our previous call, we are doing a lot of cross-sell initiatives within all the service lines of Bluspring. And some of these recent large contracts that we have won, you know, while STEAG is, let's say, the frontrunner for these opportunities, but all the businesses of Bluspring are working with STEAG.

The security business is providing security guards to some of these complexes. The FM business is working with the STEAG team on these large deals and providing facility management. The Hofincons team is working on some of the engineering aspects of these power plants. So, it's a lot of synergy that is panning out for us through these acquisitions and also through these large deals, and we'll continue to leverage all our businesses to cross-sell.

Divyansh Jain: Okay. And my second question is more like on customer perspective. Like, how the competitive landscape is today? Like, our client are -- how they are evaluating us, like which service provider they are choosing, on which or on what basis they are choosing? Any price, technology, any particular thing?

Kamal Pal Hoda: Yes. So Divyansh, the competitive landscape is different for each of the businesses. You know, starting with, let's say, food, we compete with some of the large global players, very respected and scaled -- already scaled players in India. Similarly in FM, we compete with some large national players.

Some of our businesses, which is, let's say, FM and security, are highly commoditized business. So there we compete with similarly large-scaled players across the country, companies having both domestic and international presence. And for most of our services, we probably would come in the top 3 in the country in terms of scale, size, service quality.

But, if I move to some of our other better margin businesses like STEAG and Hofincons, there is a bit of a differentiation that we have in terms of our superior quality of services, better technical expertise, German vintage, which then gives us some differentiation vis-a-vis the local domestic players to get larger deals, and generally larger deals means better margins because there is opportunity, you don't need to invest so much in the back end.

Our retention, which is one of the key KPIs which we monitor internally when it comes to, let's say, losing clients year-on-year, our retention is at a very healthy percentage of 95%, and new revenues every year contribute almost 10%. So, the growth that you would see, a part of it comes through, let's say, mining some of our existing clients plus new revenue growth of 10% year-on-year, and we have a -- like I said, a healthy client retention of 95%. So we do lose close to 4% to 5% business year-on-year to competition.

Divyansh Jain: Okay. And last question was looking ahead, like, the guidance you are giving for the revenue growth in the long term. Like, it growth will be major coming from the organic or any acquisitions are planned for drive our long-term growth?

Kamal Pal Hoda: So, we've given guidance for current year and the growth guidance of 40% plus year-on-year in revenue and 65% plus year-on-year on EBITDA is more on account of both organic growth in the current year plus the 2 acquisitions. As of now, we are internally working on integrating these two acquisitions and using the cash flows to accelerate debt repayment. There's no active pipeline of any more acquisitions within the current financial year as of now.

Divyansh Jain: Okay, sir. Thank you for guidance.

Kamal Pal Hoda: Thank you.

Moderator: Thank you. Next question is from the line of Simran Thakkar from Beas Capital. Please go ahead.

Simran Thakkar: Thank you. Good morning. So I will go first with the foundit one. Foundit...

Moderator: I'm really sorry to interrupt, Ms. Thakkar. Can you come closer to the mic? Your voice is a bit lower

Simran Thakkar: Okay, sorry. Am I audible?

Moderator: Yes.

Simran Thakkar: Okay. Thank you. So I would like to go ahead with the foundit question first. Wherein, our EBITDA loss has widened to INR14 crores, and the sales declined a bit quarter-on-quarter, so it would be like that. So what's the path to breakeven here? I know you have mentioned it will be in FY26 itself. And -- but then how much more money do we need to infuse over here? Because we could see that our EPS is actually getting diluted because of this. So it really turned negative because of this. So please could you just help us understand a bit more?

Kamal Pal Hoda: Sure. Thanks, Simran for that question. So foundit, as you have noticed, while the sales have remained flattish, but Q1 are generally soft quarters for job boards, and despite that, we've achieved our planned performance of around INR25 crores of sales. In job boards, subscription sales, generally the revenue in the P&L catches up in a couple of quarters. So we are confident that the sales numbers that you see right now, in a couple of quarters, these numbers will be visible in revenue as well.

As far as the cost in foundit is concerned, right now the business is at around INR32 to INR33 crores of cost base, and we do not intend to increase the cost base. In fact, in Q1, the cost base was a bit higher because we've accelerated some of our marketing spends in the start of the year for it to give its results across the year. As the P&L pans out, we believe this year's cash burn on a full-year basis should be in the range of INR35 to INR40 crores, and like I said, with an exit of Q4 breakeven.

So which means that the cost has to remain at INR31, INR32 crores and the revenue has to increase from the present INR25 crores and go in excess of INR35 crores. Some of it will be visible during quarter 2 and quarter 3 when we'll come back and present our results to the investors. But as we sit, we've had a good quarter, in fact 2 back-to-back good quarters, and we want to continue this trajectory of revenue growth and moving towards breakeven.

Simran Thakkar: Right. Understood. So some bit on cost and on acquisition front. So where we see the other expenses coming at INR108 crores, which is a huge jump quarter-on-quarter. So what's the -- was it there any one-off or how do we see as a normal run rate over here?

Prapul Sridhar: Sorry, you'll have to repeat that question again. It was breaking in between.

Simran Thakkar: Okay, sorry. So on the other expense front, we see a huge jump over here, , we see a huge jump over here, which will be close to that INR108 crores. So, could you just help us with the breakup of that line and was it the increase because of any one-off or what will be the run rate going forward on other opex?

Prapul Sridhar: So, you're talking about the consolidated result, other expenses, isn't it?

Simran Thakkar: Correct. Yes, yes.

Prapul Sridhar: See, in the quarter, we have seen close to around increase of INR108 crores from the last quarter around INR78 crores, primarily because of our subcontracting cost going up to that extent. Mind you, this subcontracting cost is actually high on 2 businesses. One, the telecom business has a lot of subcontracting, and second, even in STEAG, there is a lot of subcontracting activity that happens.

That's the reason you will see that there is a jump quarter-on-quarter. Otherwise, I think over the next 2-3 quarters, you should see that this will remain our new base, considering the STEAG acquisition. That's the only jump that you're seeing in a quarter-on-quarter because of we don't have any such investments in the last quarter.

Simran Thakkar: Understood, sir. And the third book-keeping question was on the tax rate. So we could see the effective tax rate being very high. Could you please help us understand what exactly, how are things going there in terms of taxation?

Prapul Sridhar: Yes. So all the companies and subsidiaries remain at 25% tax rate, excluding only one wherein we have 80JJAA, you know, reducing the tax rate, which is Terrier. So the guidance to the market, I have always told, the ETR you should consider close to around 22% for the entire year, because we might also have some of the benefits coming from other deductions in Chapter VI-A that we foresee.

So 22% is the guidance for the market. While you will see a lot of variance quarter-on-quarter on account of liabilities going up and cash not catching up to that extent, you will have a deferred tax asset being created. So the guidance to the market is 22%.

Simran Thakkar: Understood, sir. Sir, also on STEAG, that STEAG order book is over about INR5,200 and which is almost 5 times the whole Smart Infra segment that you would call now. So how do you see the execution of this particular book? Meaning in terms of period, how much of it converts in FY27, 2028, and how about the margin profile over here?

Kamal Pal Hoda: Yes. So Simran, I think there is a bit of a issue in your line. What I could get is how this INR5,000 crores is panning out in the current year, next year. Is that the question?

Simran Thakkar: Yes, correct. If my STEAG acquisition book -- order book that stands at INR5,200 crores right now, more than five times the all-time current smart infrastructure book, how does it pan out in FY27, 28 in terms of revenue and margin growth?

Kamal Pal Hoda: Yes. So for the current year, STEAG with this order book and some of these large mobilizations have already begun from 1st of July and some of it beginning from 1st of August, the overall number from STEAG from a revenue standpoint should be close to around INR1,000 crores in the current year. And then we will have our proportionate share of consolidation from 21st May. The business, given the mix of domestic and international business, should operate EBITDA in the range of 7% to 8%. That's the impact STEAG would have on our overall numbers.

Simran Thakkar: Understood. Understood. Okay. Thank you so much. Probably I'll join back the queue.

Kamal Pal Hoda: Sure.

Moderator: Thank you. Next question is from the line of Kaustav Bubna from Kamana Holdings. Please go ahead.

Kaustav Bubna: Yes, thank you so much for taking my question. So I go back to this STEAG acquisition and the opportunity that lies in the power O&M space. So wanted to understand firstly -- could you explain how do you -- so I'll just give all my questions now. So how do you get -- how did you get such a good acquisition at basically at such a good price, and you got an acquisition which then got such a high order book in just a span of 2 months?

So how did that whole go about? And what does that mean for future acquisitions that the company makes? Do we have some sort of specialization in getting EPS accretive acquisitions? I wanted to understand that if you can, firstly. And then I also wanted to understand today the order book is INR5,200 crores. Could you quantify the opportunity? What is the total assets in terms of gigawatt that is megawatt that is present over the next 2 years, and how much can this INR5,200 order book go up to over the next 2-3 years?

Kamal Pal Hoda: Sure. Kaustav, these 3 questions, anymore? Should I should I go ahead?

Kaustav Bubna: Yes, Yes. You can go ahead. You can go ahead. Yes.

Kamal Pal Hoda: Yes. So starting with how the acquisition, obviously this was a process one of the bankers was running for Germans. STEAG Germany is almost nearing a 100-year-old power company into power plant operations and maintenance, and they started STEAG India operations almost 25 years back.

The present STEAG India operations include India, some small operations in Middle East and one of the African countries where the entire power of that country runs through a single power plant and that's also managed by STEAG India. So we evaluated this asset, did diligence, and then we were able to offer a price which was I think sufficient from a seller's standpoint.

Here one of the reasons they wanted to also exit is the German business got sold to a private equity, and they wanted to exit India as a geography, and they wanted to exit thermal as a portfolio given their ESG compliances. So I think we kind of got bit lucky given the situation. We came with bit of a deal certainty given our vintage of some of our past acquisitions.

And eventually I think post-acquisition, there were some very large deals that they were working for last few months. What accelerated was bit of an entrepreneurial capabilities which are there within Bluspring helped us close these deals faster, which were I would say there in the pipeline for quite some time.

Going to, let's say, the gigawatt and let's say the overall market opportunity, so first of all, STEAG does almost 90% of its business right now from thermal O&M space. So from an opportunity size, thermal market only in India if I talk, see the peak demand this summer was somewhere around 250 GW. And in that 250 GW, right now I think STEAG has a portfolio of around 16 or 14 to 16 GW.

So that's the addressable market size in India, and obviously in the O&M space now STEAG with some of these large deals would be the largest player in the country in the thermal space. But that leaves, let's say, another 40% to 50% of the power capacity outside of thermal within the country, which is available from a TAM perspective, for which there are capabilities within STEAG.

We have, let's say, a very small portfolio of around 200 MW of renewables O&M that we do. And renewables, as is expected to become almost 50% of our overall capacity in the country by 2030. So the present market size of 226 GW probably would double up in a combination of thermal plus renewable by 2030, and that's the opportunity size within country.

Having said, STEAG has also done as part of a German subsidiary some very large gas-based power plants, both in India and in Middle East, and that one business vertical within STEAG, which is further something which I think we can expand gradually. So right now the focus is obviously to do smooth integration of STEAG within Bluspring and also work on some of these large contracts that we've won with full safety standards and full technical capabilities.

But, Yes, it's a huge opportunity, and this business has a great potential over next 4 to 5 years as the infrastructure creation, especially in the power space is happening both India and overseas.

Kaustav Bubna: Okay. So just last question on foundit. First -- I've asked you this question before, but I want to frame it in a different way because our expenses have increased again. First the message was a few years ago that we're going to break even. That didn't happen at that point in time, and now we've increased costs again, and we are saying we'll break even again at the end of the year.

So as investors, I think you can sympathize with us that we've heard this before, so we have this kind of doubt that because otherwise the business is doing well and this is the overhang in terms of it's holding back the ROEs, it's holding back everything in terms of profitability. So I basically just wanted -- you've said everything else, but I just wanted to understand one thing. Is the -- are you trying to turn this business around because that's the only way you will get a buyer?

Kamal Pal Hoda: Yes. So Kaustav, see every business I think has a cycle, and we've had some tough cycles with foundit. What we have right now is a better product at a better technical team handling that product, a better leadership, a change of management that we have done almost a year back. And it takes a bit of a time, so I understand from an investment lens, this does not obviously look as great as what it should look.

But since we see this business on a day-to-day basis, I can tell you the growth despite, let's say, the challenging IT market that is there externally for this business to grow from, INR15 crores, INR16 crores of quarterly sales run rate to a INR25 crores in last 1 year is on back of many initiatives that this new management has taken, including stabilizing our product, improving our search engine capability and the business is selling more B2B, which is more an annuity-based business.

So, Yes, the intent is obviously to be very near to break even and monetize, and we made some significant investments in this business, but we also want to now focus on some of our core businesses as is evident from our acquisition strategy, we want to focus on industrials more. So we want to use our capital more towards some of these businesses that we are already running and the businesses that we've recently acquired.

So we see foundit as an opportunity where we can unlock our investments and use that to accelerate some of the debts that we've taken for our organic businesses.

Kaustav Bubna: Okay, great. Thank you so much. Thank you. Best of luck.

Kamal Pal Hoda: Thank you.

Moderator: Thank you. The next question is from the line of Sarvesh Gupta from Maximal Capital. Please go ahead.

Sarvesh Gupta: Yes. Good morning, sir, and thank you for giving the opportunity. So sir, first question is on foundit point again. So this INR10-odd crores increase in sales that we have seen in the last two quarters it has not translated into revenues. So is it like this is like paid as cash upfront and then in the accounting part we are doing a pro rata and it is hence not showing.

Or is it because we have lost some other accounts and despite a higher sales you are showing the same revenues number. So I am not able to understand why despite two healthy quarters of sales your revenues, accounting revenues are not increasing. So it might be because of the run off or because all of this sales pertain to future periods and your cash flows have been received but accounting revenues have not been booked.

Prapul Sridhar: Yes. So basically, there is a deferred revenue from a B2B perspective, Sarvesh. Thumb rule is basically a sales to revenue ratio for the quarter will be roughly around 15% to 18%. As Kamal said in the previous comments, so you will see revenue catching up in the future quarters because it is actually deferred in nature, and we cannot recognize revenue unless the service is offered.

While coming back to your retention point, I would like to say that the leaking bucket was roughly around 40% earlier, which has now curtailed to around 20%. That means almost 80% of the renewals during the quarter have been completed.

In fact, some of them have been sold on a higher end. We saw our revenue of roughly around INR17-odd crores to INR18 crores. Now we are reaching around INR19 crores. Hopeful that whatever we have already sold should actually take us around INR21 crores levels. With the increased sales, I'm hopeful it should again increase to around INR22 crores, INR23 crores in Q2.

And, our cost base remains at around INR32 crores, INR33 crores. Intentionally, we have actually spent higher on marketing this quarter because the spends for Q1 and Q2 will fuel for the growth in for the rest of the year. You will see that our cost base will remain muted at those levels while the revenue will catch up in the subsequent quarters.

Sarvesh Gupta: Understood, So what level of sales do you look to achieve to sort of get to breakeven in let’s say two, three quarters down the line?

Prapul Sridhar: Close to around INR38 crores to INR40 crores. And it’s not just that quarter sales, it’s also what we said during the year. See it’s a subscription based sales so you are right, we get upfront cash and that subscription from a revenue recognition perspective only comes into the P&L basis the consumption.

So what will happen for a Q4 breakeven is INR38 crores-INR40 crores of sales and our INR30-plus crores sales in Q2-Q3 should take us to a breakeven by Q4. And that's what as management found it and we are collectively working upon.

Sarvesh Gupta: Okay, understood. Now, secondly coming to your on organic growth rate, I think in one of the comments you mentioned that your organic growth rate might be 10% and retention might be 95%. So does that mean that you would grow at 5% ex of the new acquisitions?

Prapul Sridhar: No. What I meant Sarvesh was that new clients that we onboard is contributing to additional 10%. The retention contributes 95%, so you lose 5%, you are right. But then the existing clients also, you have the capacity to mine existing clients and increase revenue share. So the existing clients also contribute 8% to 10% of additional revenue year-on-year, depending upon new locations, within those locations, new capacities, etcetera.

So on an organic basis, excluding the acquisitions, we had guided that we will probably be a 15% to 16% revenue growth company with margin improvements. Now with obviously these acquisitions, those numbers go substantially higher with almost 42% revenue growth year-on-year and 65% EBITDA growth year-on-year, on a full year basis.

Sarvesh Gupta: Understood. And in this year also, would you hold on to that sort of an organic growth rate number? Because let's say, on Smart Infra, at least this quarter we de-grew and facilities also we grew by less than 10%. So do you think that on an organic basis, we can pull around 15% sort of a number in FY27?

Prapul Sridhar: Yes, we are confident of it. Let's say the sales done during Q1 itself and some of the businesses that we started mobilizing in Q4, mathematically, we are very confident of reaching 15%-16% revenue growth from organic businesses.

Sarvesh Gupta: Okay. And finally sir, on the contracts that we are getting now, we are also getting some of these large contracts. So, how do we see the sustainability of that business beyond the first time we win the contract? And I mean, how do you see that panning out for a long time and how do we retain the clients?

Because, the large contracts will also be very competitive and there can be a lot of pressure from the client to sort of reduce your margins, etc., to sort of renew that contract after three, four, five years. And there can be a lot of other competition from other companies also. So, what are the thoughts around that, if you can give some colour on that sustainability part?

Prapul Sridhar: So, Sarvesh, the renewals obviously is something that we are conscious of, but it's also something that we need to solve probably after five years, because all these deals are right now for a period of five years with further extendable basis, the service quality.

` So, see some of these contracts, why they have come to us because for some of these clients in last three, four years that we've worked with them, we've been able to improve the plant availability for, in power as a scenario, the plant availability for some of these clients we've been able to improve from, let's say, 83%-84% that they were operating with some of the other players in the market to 93%-94% when they work with Bluspring now. So, that's something which is massive from our overall profitability of these clients and that, especially in power and large metal companies, becomes a key decision-making factor of how the productivity of the overall plant is improved. And I think that's where we have a bit of a differentiation given the German pedigree and the technical expertise which is there in the company, helps us win these large deals and also sustainability of this after five years.

Sarvesh Gupta: Okay. And final question is on your working capital days. So, I think there was a comment on increase in working capital days that might be witnessed in this year. So, now since the nature of the business is again moving more towards some of these larger deals, what is your comment on the working capital days on those deals and does those, I mean, these deals, do they also come with an added pressure of delayed sort of a billing or payment from the client side because they are just so large compared to the business size that we have?

Prapul Sridhar: Yes. So, let me give you a background that our organic businesses networking capital days remains at around healthy 37 days levels. The comment was more towards the additions in the industrial vertical that we had where, as you rightly said, because of various parameters before these getting paid, it will have an elongated cycle.

We foresee that it should be closed around 45 days and the water should settle down there, including the large contracts that we have won because some of the contracts that we have also won was to the customers that we had already worked towards and we know that what is the cycle there. That doesn't mean that we will not work towards reducing the working capital cycle.

As of now, we foresee that it will actually grow towards eight days more while we understand it fully and also integrate their processes into our portfolio and break these working days into how much is time to invoice, time to submit, time to approval and, break everything and get efficiencies. We will not commit any numbers but we foresee around 45 days of networking capital is what we foresee, including STEAG.

With organic businesses already reached a purple patch of around 37 days, we foresee that it should continue throughout the year. Yes, that's the guidance.

Sarvesh Gupta: Overall, you are saying around 45 days of networking capital days.

Prapul Sridhar: That is right.

Sarvesh Gupta: Okay. And is there any large deposit that we need to keep, for some of these large deals with the client?

Prapul Sridhar: No, for the power industry, no. No. Basically, they ask for bank guarantees, which is non-funded.

Sarvesh Gupta: Okay. Great. Thank you, sir, and all the best and congratulations on a good set of numbers.

Kamal Pal Hoda: Thank you. Thank you.

Moderator: Thank you. Next question is from the line of Mr. Anant Mundra from Mytemple Capital. Mr. Mundra, as we are short on time, so requesting you to please ask one or two questions only. You may please go ahead. Thank you.

Anant Mundra: Yes. Thank you for the opportunity, sir. Sir, so earlier, we used to have a slide on our FY30, guidance where our margins, I mean, we used to target about 6% on margins and 20% on ROEs. So, just wanted to understand that in light of the changes that have happened in the organization with the 2 acquisitions, how should we think about the long-term margins and ROE for the business? That was question number 1.

And the second was on, on the macro level, I mean, because of the ELI scheme coming in, so has there been any kind of working that we've done on what could be the benefits that could accrue from the ELI scheme? And also, any -- I think we were waiting from some clarifications from the government also. So, have those also come across?

Kamal Pal Hoda: Yes. Thanks, Anand. So, ROE guidance and margin guidance, holds. We probably may accelerate our journey towards those numbers. So, we wanted to be a 20% ROE company, and that's what we had announced during our listing on 11th June last year when we were still a 5% ROE company. So, when we had announced 20%, we had obviously made our plans of, you know, making some acquisitions and reaching there by 2030.

On back of some successful acquisitions, we believe that we should probably reach a 20% number a year ahead of what we had planned for ourselves. From a margin guidance perspective, we continue to hold ourselves that when we touch the 20% ROE, we should probably be a 6%, somewhere between 5.5% to 6% EBITDA margins. The only thing is, you know, it's also a question of mix of how much international business versus domestic business, pans out as we, you know, work on the opportunities that I explained with STEAG and some of these large deals.

So, higher the domestic, wallet share that we'll have for these businesses, it'll be probably more towards 5.5%, but Yes, with some more international businesses, we'll be confident of touching 6%, but Yes, the margin and the ROE guidance holds, it just accelerates from FY30, to mostly FY29.

On, macro levels and ELI scheme, we've not seen any significant benefit accruing to Bluspring so far -- maybe, you know, once these clarifications are there from the government, you know, some of the companies have started receiving I think small contributions on ELI. we've not seen any substantial benefit, to Bluspring so far. I think some small amount we've also received in one of our businesses, but as of now, it's insignificant from our results standpoint.

Anant Mundra: Got it. Got it. And just one follow-up to the margin question. So, like I can see that there are so many margin levels available at least on the security business. So, I mean, security business currently we are sub-3%, whereas if I look at some of our peers are at 5%, 5.5%. So, there's a lot of margin lever available here. So, on the other business lines also, if you can just highlight which are the verticals that have the highest leverage available in terms of margin expansion.

Kamal Pal Hoda: Yes. So, you're right, I think picked up, the biggest opportunity of ours obviously is in security. We touched close to around 3.5% last year. I think Q1 we've again had a bit of a drop on account of higher ECL percentages. So, Q1 historically has been a poor quarter from a collection standpoint, because most of these POs go under renewal, the clients go through their SAP renewals of the POs, and this leads to bit of a delayed billing and delayed collection, eventually leading to higher ECL charges in quarter one, and we catch up that in quarter two and quarter three.

So, our North Star for security industry is to go from the present margins to 4%, 4.5% margins in next couple of years. So, that'll help us improve our margins from where it is right now to, let's say, the 6% journey. I think the second lever obviously is in our FM business where we are right now close to around 4% margin, and again, the industry's just shade below 4%, and the industry is around 5%.

So, as we expand and grow that business, and again, the investments that we did last year in terms of sales, operational capabilities and digitalization, all that is panning out well for us. You know, the quarter one sales numbers have been incomparable to any of our previous years, and as we will get this growth coming into our P&L over next few quarters, we'll be able to come and confidently explain our improvement in margins.

So, these two businesses I feel, and I think in food business, it's more a bit of a mix. Food, fluctuates between a 5% margin to a 10% margin depending upon which industry you are catering to, lowest being the industrial food and highest being now, obviously, the aviation catering, and in between is there healthcare and education, you know, hospitals and premium business schools, so it's also the mix of how the food business we are able to sell more of the better margin businesses. So, these are the 3 or 4 large levers, that we're going to use to improve our margins.

Anant Mundra: Got it, sir. That's it from my end. Thank you.

Kamal Pal Hoda: Thank you.

Moderator: Thank you. Ladies and gentlemen, we will take that as the last question for today. I now hand the conference call over to Mr. Kamal Pal Hoda, CEO of the company, for closing comments.

Kamal Pal Hoda: Thank you, Isha, and thank you, everyone. As we look back on our journey, the first year was one of reset and renewal, a period of quietly building a strong foundation for the road ahead. Today, we stand transformed, no longer just a promising enterprise, but a high-growth organization that has decisively reached its inflection point.

Our performance tells this story with clarity, market-leading growth across Revenue, EBITDA, PAT, EPS and ROE. These results are not accidents, they are outcomes of a clear strategy, discipline in execution, and strength of a leadership team that believes in building for the long term. Today, with favorable industry tailwinds and carefully chosen acquisitions, we have created a unique opportunity, one that positions us to become the largest and the most respected integrated infrastructure services company in the country. Thank you and wishing everyone a very happy weekend.

Moderator: Thank you very much, sir. The participants waiting in the queue can reach out to Mr. Nibodh Shetty from the Investor Relations team of Bluspring for further questions. On behalf of Bluspring Enterprises Limited, that concludes this conference call. Thank you all for joining us today, and you may now disconnect your lines.