

February 12, 2024

National Stock Exchange of India Ltd., Exchange Plaza, C-1 Block G, Bandra Kurla Complex Bandra [E], Mumbai – 400051	BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001	Metropolitan Stock Exchange of India Ltd., Vibgyor Towers, 4 th Floor, Plot No. C62, G - Block, Opp. Trident Hotel, Bandra Kurla, Complex, Bandra (E), Mumbai – 400098
NSE Scrip Symbol: BLS	BSE Scrip Code: 540073	MSE Scrip Symbol: BLS

Dear Sir / Madam,

Subject: Investor Presentation

Pursuant to Regulation 30 read with Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed a Investor Presentation with respect to unaudited financial performance of the BLS International Services Limited for the third quarter and nine months ended December 31, 2023.

You are requested to take the same on your records.

For **BLS International Services Limited**

.....
Dharak A. Mehta
Company Secretary and Compliance Officer
ICSI Membership No.: FCS12878

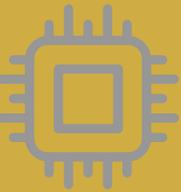
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Earnings Presentation

Q3 & 9M FY24

February 12, 2024



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Agenda

1. Key Business Updates
2. Financial Highlights – Q3 & 9M FY24
3. Company Overview
4. Industry Overview
5. Historical Financial Highlights
6. Way Ahead

iDATA Acquisition

- In January 2024, BLS International signed definitive agreement to acquire 100% stake in iDATA for an enterprise valuation of EURO 50 Mn (~ Rs. 450 Crores)
- iData is a Turkey-based Visa & Consular services provider
- Acquisition would be funded primarily through internal accruals.
- The transaction will be EPS accretive from day one and is anticipated to be completed within the current fiscal year
- Acquisition to further strengthen BLS' Global Presence in Visa and Consular Services

BLS E-Services IPO Update

- During February 2024, one of the company's subsidiaries, BLS E-Services got listed on BSE and NSE through an IPO process
- BLSe is a technology enabled digital service provider, providing E-Governance Services, Business Correspondent Services and Assisted E-services to the citizens.

Strategy – Commitment for Growth

- In line with our strategy to grow our business in a profitable manner, we have embarked on a path of inorganic growth as well as Organic growth.
- As part of our inorganic growth strategy, the company has invested its surplus cash on the below mentioned acquisitions:
 - Acquired majority stake in Zero mass Private Limited (ZMPL) in June 2022 and significantly expanded our operations in business correspondent services segment
 - In January 2024, BLS has announced signing of definitive documents for the acquisition of 100% stake in iDATA, a Turkey based Visa & Consular Services company, for a purchase consideration of Euro 50 Million (~INR 450 Crores).

The company continues to look out for acquisitions in the similar space with an objective to utilize surplus cash and enhance overall return ratios of the company



Q3 & 9M FY24

Q3FY24 Results Snapshot

Consolidated Revenue

INR 437.9 Crores

Consolidated Op EBITDA

INR 88.6 Crores

 **33.6%**

Consolidated PBT

INR 91.0 Crores

 **31.3%**

Consolidated PAT

INR 87.2 Crores

 **90.2%**

Cash & Bank Balances

INR 754 Crores

ROCE | ROE*

33.4% | 30.8%

9MFY24 Results Snapshot

Consolidated Revenue

INR 1,229.1 Crores

↑ 15.1%

Consolidated Op EBITDA

INR 255.4 Crores

↑ 65.2%

Consolidated PBT

INR 258.6 Crores

↑ 63.8%

Consolidated PAT

INR 240.2 Crores

↑ 88.3%

Net Cash & Bank Balances

INR 754 Crores

ROCE | ROE*

33.4% | 30.8%

Management Discussion & Analysis of Results

- Company registered Consolidated Operational Revenue of INR 437.9 Cr, similar to Q3FY23 and a growth of 7.4% versus the trailing quarter.
- Revenue from Visa & Consular services stood at INR 364.4 Cr while Digital Services revenue was INR 73.5 Cr
- Consolidated operating EBITDA stood at **INR 88.6 Crores** in Q3 FY24, up **33.6%** from **INR 66.3 crores** in Q3 FY23.
EBITDA Margins stood at 20.2% compared to 15.1% in Q3FY23
- Profit After Tax (PAT) for the quarter was at **INR 87.2 crores** compared to **INR 45.8 crores Q3 FY23 (up 90.2% YoY)**

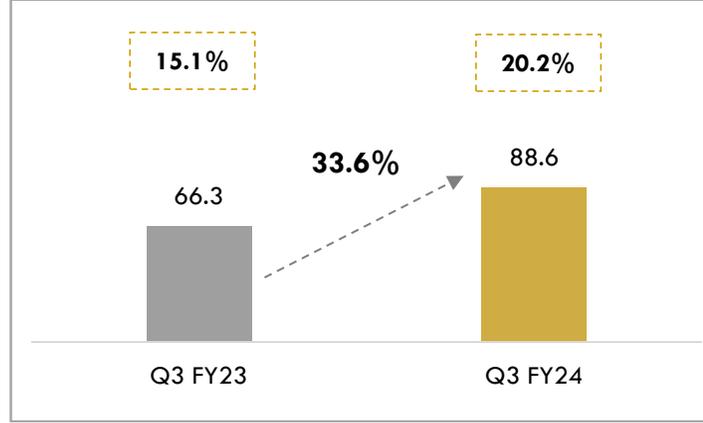
Financial Highlights

Quarterly Highlights

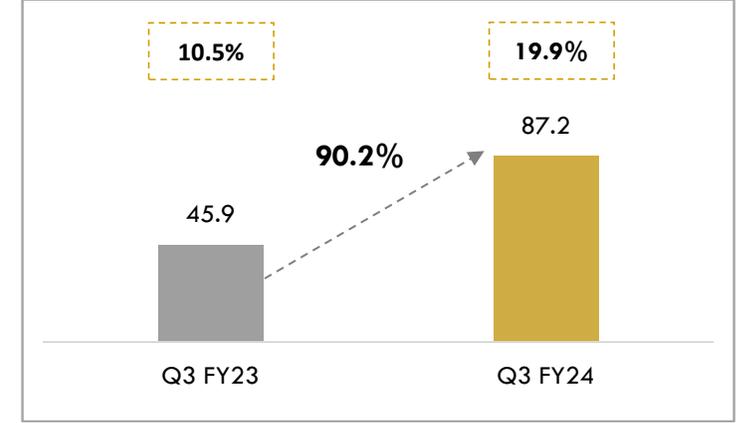
Revenue (INR Cr)



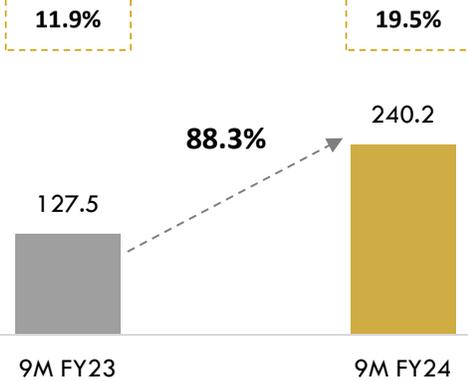
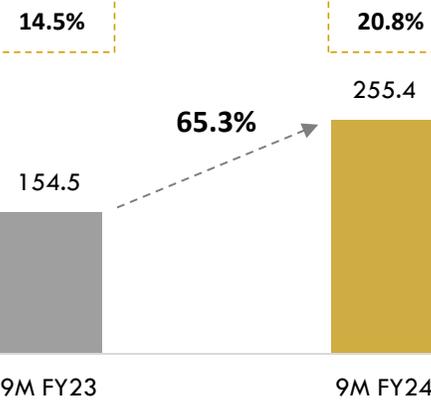
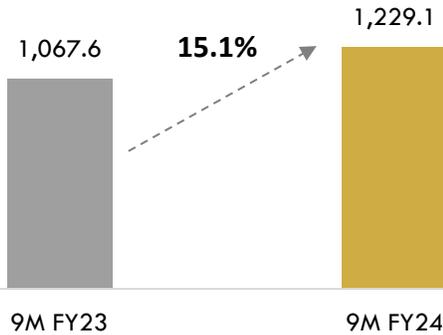
EBITDA (INR Cr) & EBITDA Margin (%)



PAT (INR Cr) & PAT Margin (%)



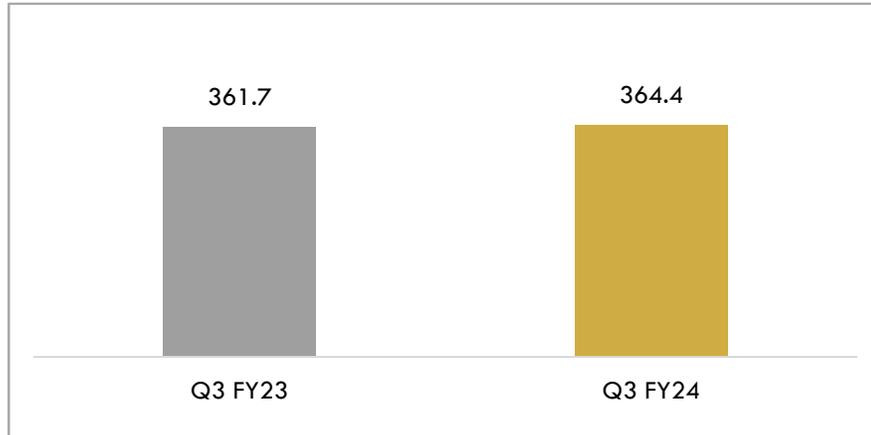
Nine Months Highlights



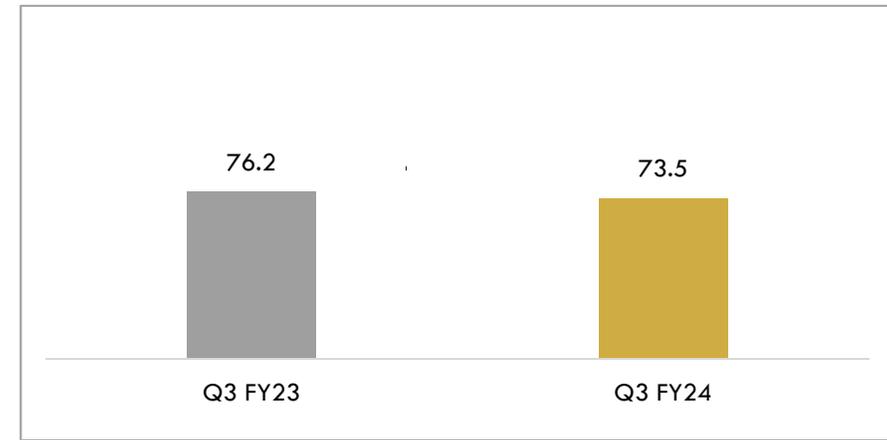
Segmental Growth – Q3 FY24

Revenue

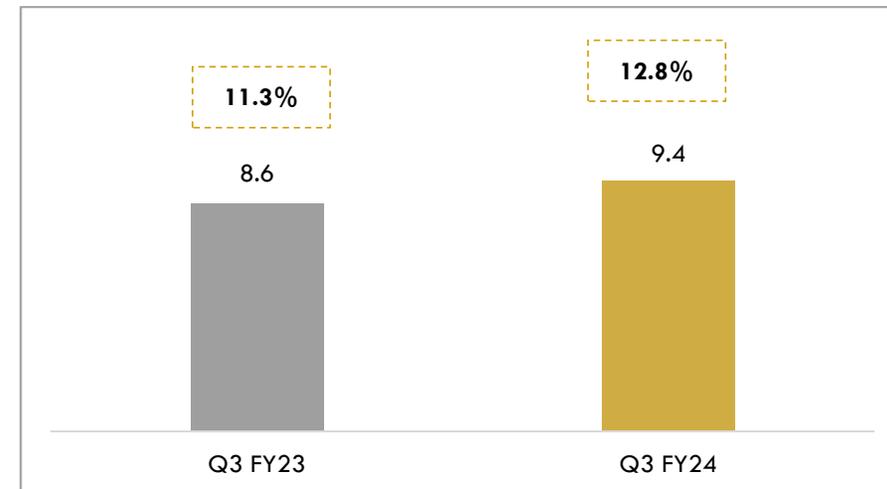
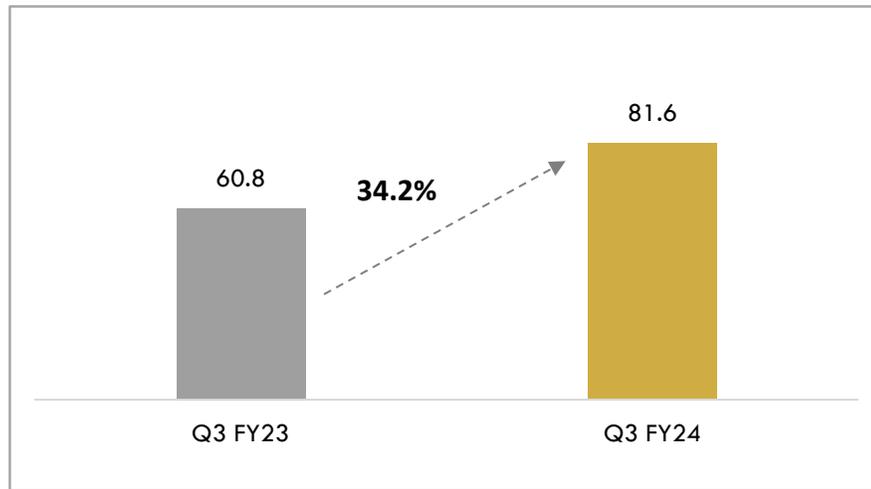
Visa & Consular (Rs Cr)



Digital Services (Rs Cr.)



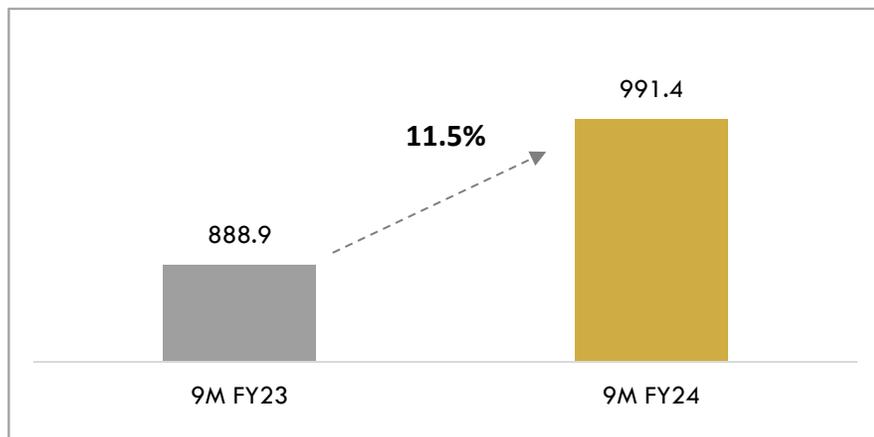
PBT



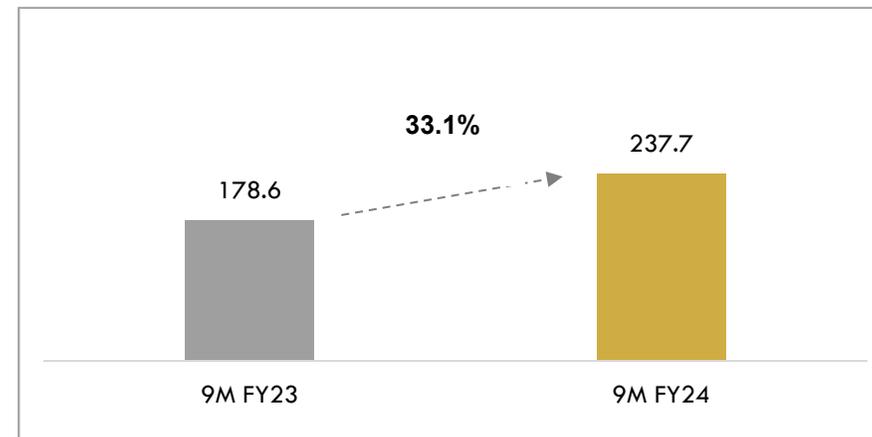
Segmental Growth – 9M FY24

Revenue

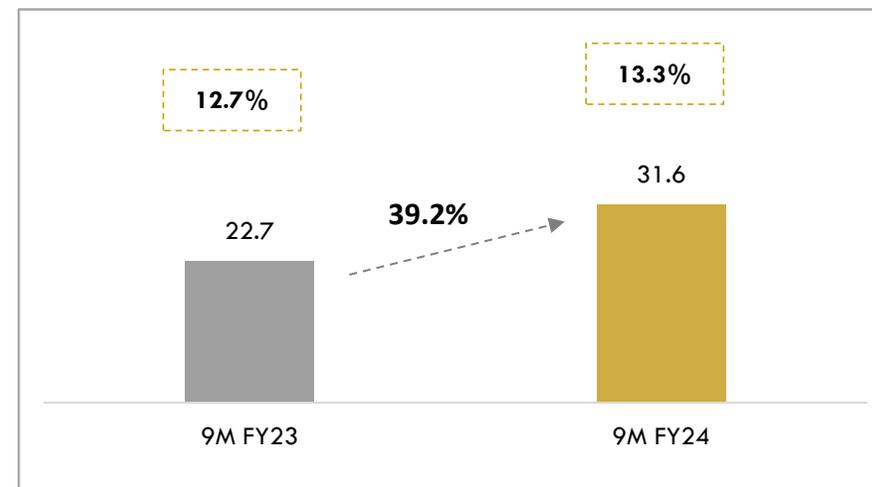
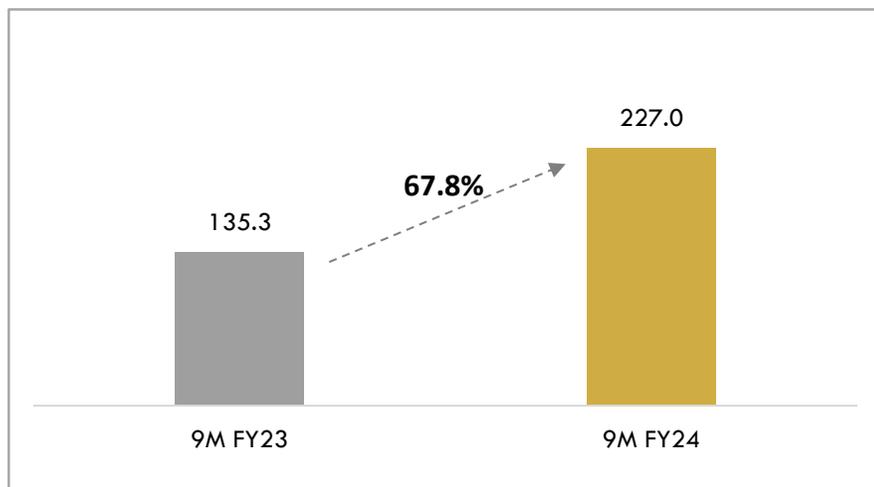
Visa & Consular (Rs Cr)



Digital Services (Rs Cr.)



PBT



Consolidated Quarterly Profit and Loss Statement

(Rs. in Cr)	Q3 FY24	Q3 FY23	% Change	Q2 FY24
Revenue	437.9	437.9	-	407.7
Gross Profit	182.8	135.7		170.4
(Gross Margin)	41.7%	31.0%		41.8%
Operating expenses	39.4	32.0		35.2
EBITDA	88.6	66.3	33.6% 	86.7
(EBITDA Margin)	20.2%	15.1%	509 bps	21.3%
Other Income	9.2	7.0		8.7
Depreciation	6.3	3.9		7.3
Finance Cost	0.5	0.1		1.0
PBT	91.0	69.3	31.3%	87.2
Tax Expenses	3.8	(1.2)		5.2
PAT	87.2	45.8	90.2% 	82.0

- Q3 FY24 operational revenue up 7.4% QoQ driven by continued growth in Visa & Consular business and in Digital Services

- EBITDA for Q3 FY24 up 33.6% YoY with EBITDA margins at 20.2% up by 509 bps
- Cost optimizations and higher contribution from Value Added Services led to better profitability margins

* Excluding Exceptional Items

Consolidated Nine Months Profit and Loss Statement

(Rs. in Cr)	9M FY24	9M FY23	% Change
Revenue	1229.1	1067.6	15.1% 
Gross Profit	509.5	345.5	
(Gross Margin)	41.5%	32.4%	
Operating expenses	107.4	92.0	
EBITDA	255.4	154.5	65.3% 
(EBITDA Margin)	20.8%	14.5%	631 bps
Other Income	24.9	14.3	
Depreciation	19.9	10.5	
Finance Cost	1.8	0.3	
PBT*	258.6	157.9	63.8%
Tax Expenses	18.4	5.8	
PAT	240.2	127.5	88.3% 

* Excluding Exceptional Items



Company Overview

Leading Tech Innovations Globally

EMPOWERING THE DIGITAL FRONTIER



Outsourced Passport & Visa Services



Consular Services



Citizen & Front-end Services



e-Visa Services



National Banking Correspondent Services



Biometrics & Identity Management Services



Verification & Attestation Services



Contact Centre Services

PROVIDER OF TECH-ENABLED VISA & CITIZEN SERVICES TO GOVERNMENTS AND CITIZENS WORLDWIDE

Our competitive edge

Expanding global network

Operating in 66 countries with a network of 50,000 application centers globally

Existing network offers a platform to pitch for new contracts

Ability to win marquee contracts

2016-21: Europe, GCC & ME, South American contracts

Marquee wins to build credential for other global contracts (1.5B USD worth contracts under renewal in next 2 years)

State-of-the-art digital infra

Highly secure processes with capabilities to handle large quantities of complex data

High entry barrier for any company

Value added services

Convenience services offered to the applicants is rapidly expanding

Key driver for margin expansion and a potential differentiator to win contracts

Diversified in other high growth tech-enabled services

e-Gov for UP, Punjab, Rajasthan, Karnataka, Estonia and Nigeria are key wins in addition to last mile connectivity for SBI

Centers across states to facilitate citizen services and financial inclusion

Net debt free and high FCF business

Visa Application Centers are leased and Citizen service offices are developed by Govt. and operated by BLS

Healthy balance sheet and return ratios

BLS has become a leading global player in visa processing and one of the early movers in tech-enabled citizen services

Corporate Structure



Domestic Visa & Attestation

50.91%

BLS E-Services Ltd

100%

BLS International FZE

Visa, Consular & e-governance Business in other countries

100%

Starfin India Pvt Ltd
(BC Business)

90.9%

Zero Mass Pvt Ltd
(BC Business)

100%

BLS Kendra Pvt Ltd
(e-Governance biz)

International Subsidiaries/Partners*

UK

USA

UAE

Russia

Ecuador

Algeria

Canada

China

Malaysia

Singapore

Hong Kong

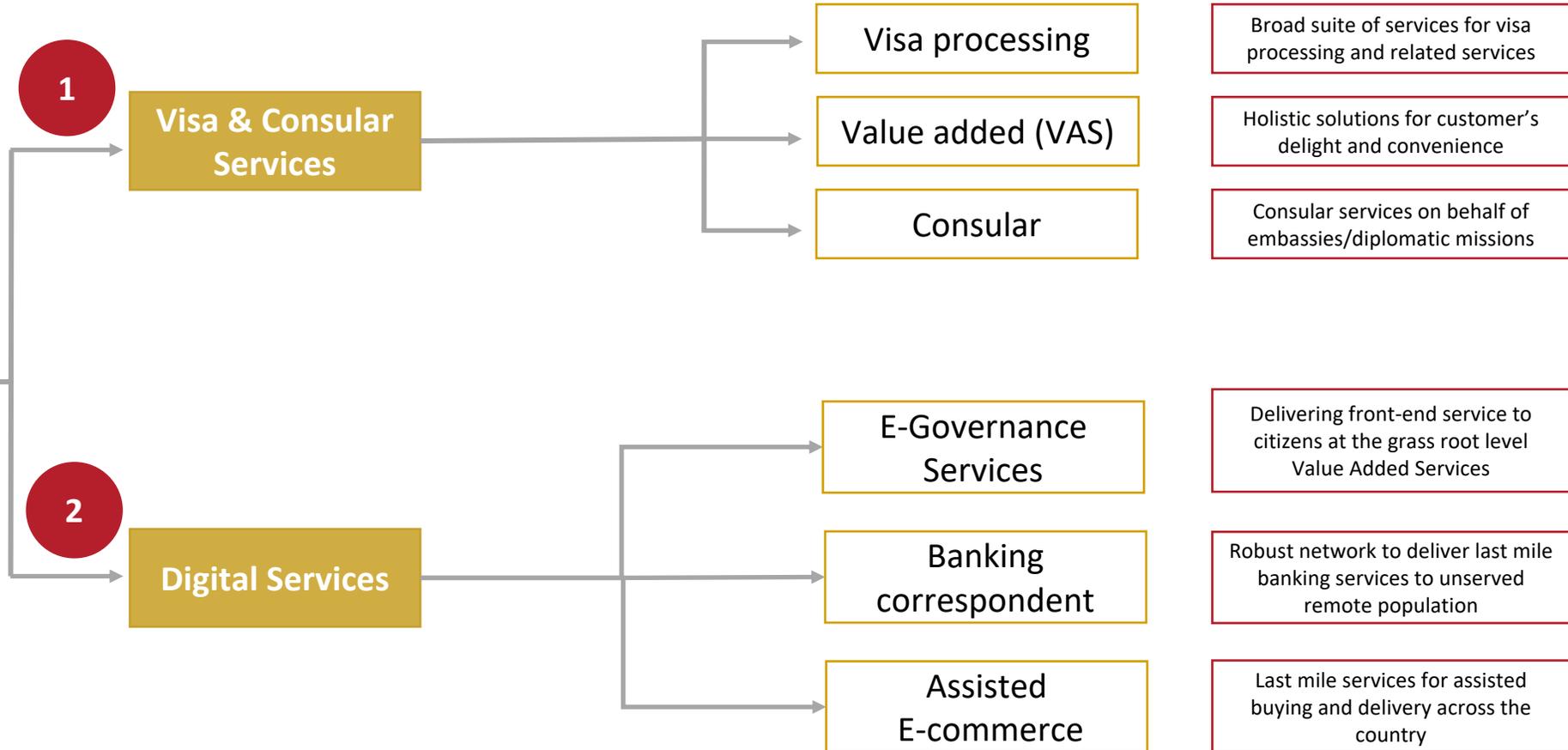
Saudi Arabia

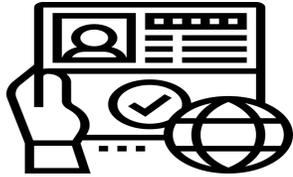
Turkey

Morocco

* Only key operational subsidiaries/partners have been included

Business overview





Visa Processing

Leading global player in the visa outsourcing service industry, with over 18 years of experience and ~78 million applications processed; Winning contracts across the globe

Services include:

- Outsourced visa processing
- Verification of documents
- Attestation of documents
- Biometrics
- E-Visa
- Other allied services



Value Added

Additional holistic services rolled out with speed & agility and offered to applicants for convenience and better experience.

Services include:

- Photocopy, courier & internet facility
- Premium lounge, form filling, insurance, SMS alert, translation services
- Mobile biometric



Consular

Services provided by the diplomatic mission of a country to citizens of that country who are living or traveling overseas - BLS has been working extensively with Indian mission and other missions globally

Services include:

- Passport renewal
- Authentication of travel documents
- Legalization of documents
- Renunciation of citizenship
- Notary services





India

Uttar Pradesh Project

- Rolled out citizen services centres on behalf of Uttar Pradesh Government
- Citizen services of all Govt. departments of UP through ~20,000 Customer Service Centres (CSCs) opened through partners
- ~250 G2C services being provided through CSCs

Rajasthan Project

- Contract for e-Mitra Kiosks in Rajasthan in 5 districts; Launched portal for e-Mitra Kiosk operators offering G2C & B2C services

Karnataka

- 4300+ centres covering 15 districts under Grama 1 project projects providing ~700 G2C services

West Bengal

- ~80 centres covering 5 districts

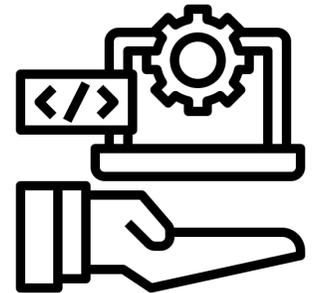
Global

Trained cadre (UAE)

- Working closely with UAE Ministry of External Affairs, providing customized solutions

National Identification Card Programme

- Issuing digital ID to e-residents granted by the Estonian Police and Border Guard Board (PBGB)



Starfin & Zero Mass – National Business Correspondent (NBC)

- BLS has established a robust network of centers to deliver last mile banking services to unserved and underserved rural and remote populations as part of Financial Inclusion Program of Govt. Of India.
- Offers various banking services like enrolment of customers, opening bank accounts, balance enquiry, money transfer, passbook updating etc.
- As one of the largest BC for SBI, ZMPL has ~12,000 active CSP's, which is >15% of all SBI BC's across India. It also has contracts with Utkal Grameen Bank and Karur Vysya Bank
- Starfin India has recently won a contract with UBI, It is already empanelled as the NBC for SBI; BOB, Central Bank of India, and Corporate Business Correspondent for Uttarakhand Gramin Bank, and Microfinance Agency for PNB
- Distinctively positioned to expand services, branches as well as our banking and non-banking collaborations

Present in all
states & Union
Territories

~ 18,500 CSP's
across the
country

INR 5,500 crores
monthly average
volume

E-commerce & Other Services

- Providing help for e-commerce, insurance and travel assistance wherein people come to these centers for availing additional services along with the existing government services – helps in utilizing existing network and centers to cross sell more services
- Tying up with e-commerce players for assisted buying and delivery
- Last mile delivery of products to centers or customer's place



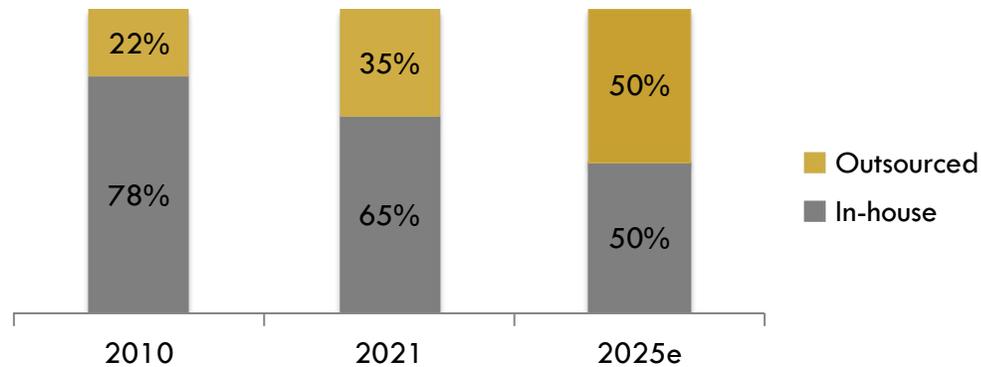
Reaching Length & Breadth of India



Huge opportunities across business segments

Visa Processing

Growth in outsourcing of visa application worldwide



Majority of the market still managed in-house by embassies – growth opportunity is immense

Niche industry with high entry barriers – established players like BLS at advantage to tap renewals

Significant opportunities and high growth potential helping increase market share gains

Digital Services

Global

- Most services offered by governments to consumers are still semi-automated with low penetration of cutting-edge technologies
- Outsourcing to a specialized partner reduces delivery time, increases efficiency. Win-win proposition for the government w.r.t. both cost and service quality

India

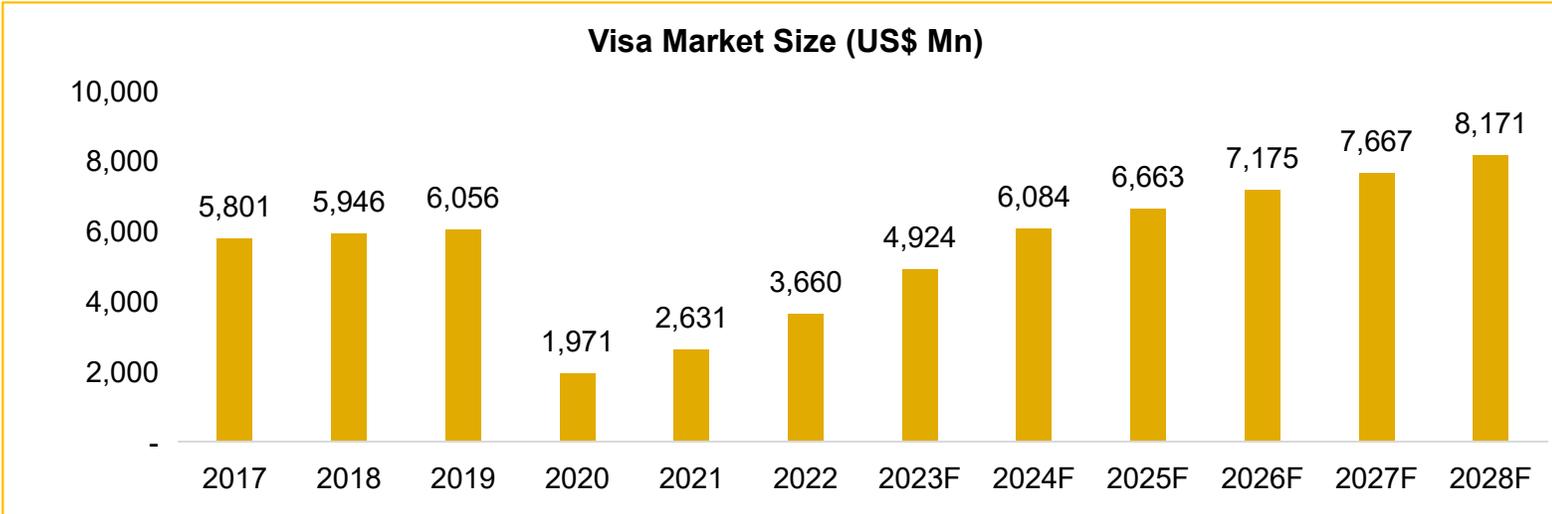
- Significant opportunities for digital services and VAS in e-Governance & BC businesses
- Government is leveraging solutions & services from specialist providers to realize the vision of Digital India
- At both center and state levels, initiatives are being undertaken to promote the Digital India model for rendering public services effectively



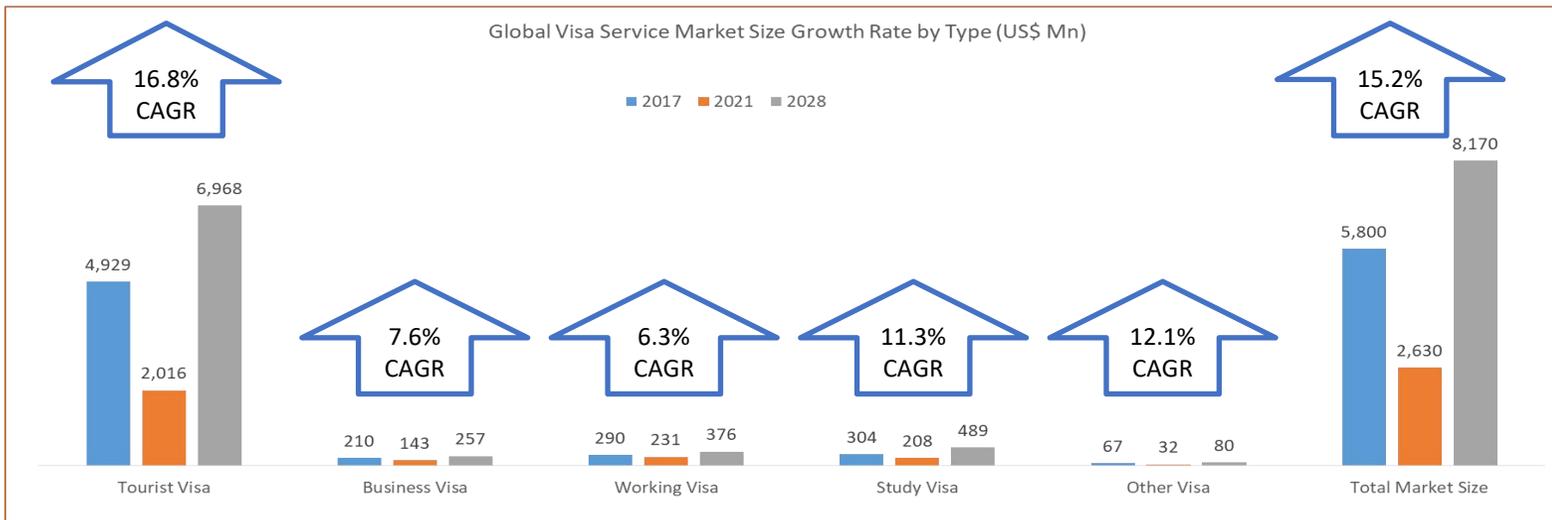
Industry Overview

Visa Services to Grow, Driven by Rising Tourism

Global Visa Service Market is expected to grow at a CAGR of 14.3% during 2022-28



The Travel & Tourism sector has marked a robust bounce back to pre-pandemic levels and is estimated to become a USD 15 trillion economy in next 10 years



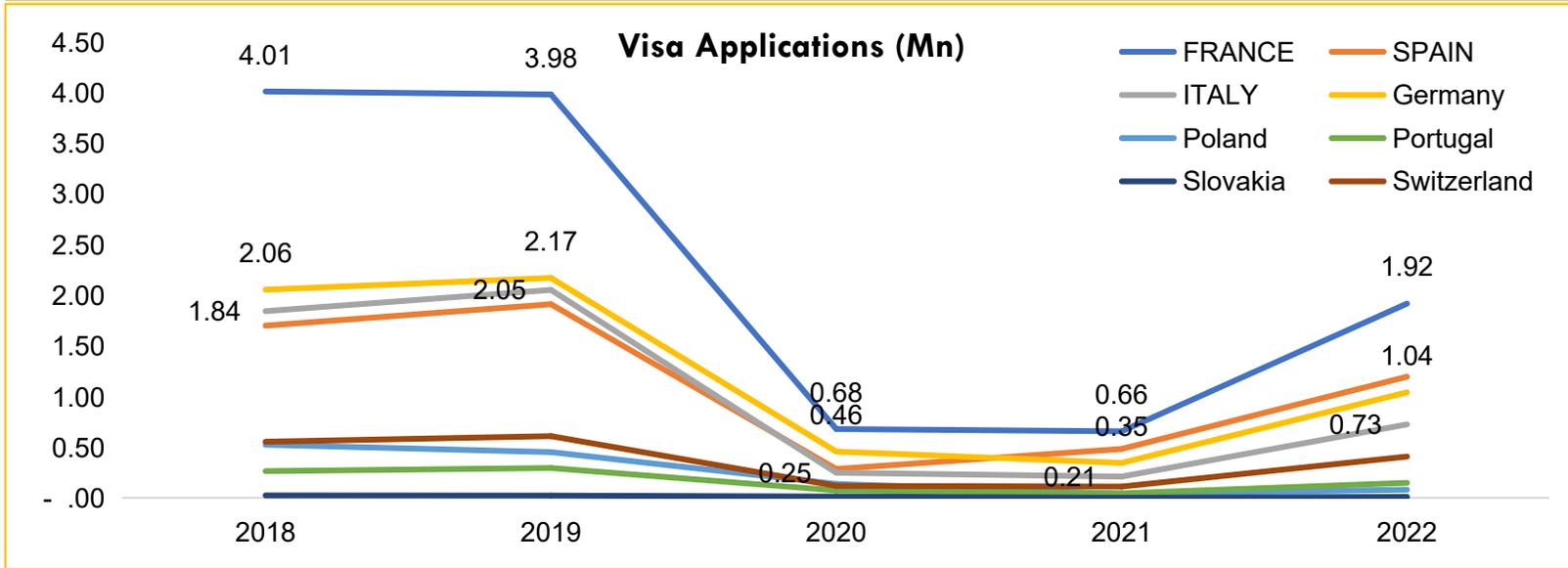
Growth in travel & tourism sector is leading to higher Visa service requirements in order to check flow of visitors in & out of a country, and to prevent illegal immigration & other criminal activities

Source: QYResearch, 2022

*Above CAGR is calculated basis period 2021-2028P

Continued Recovery in Global Visa Volumes, Led by Europe

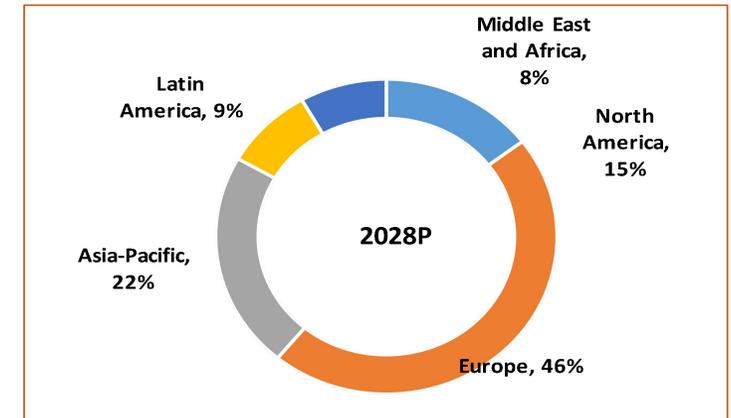
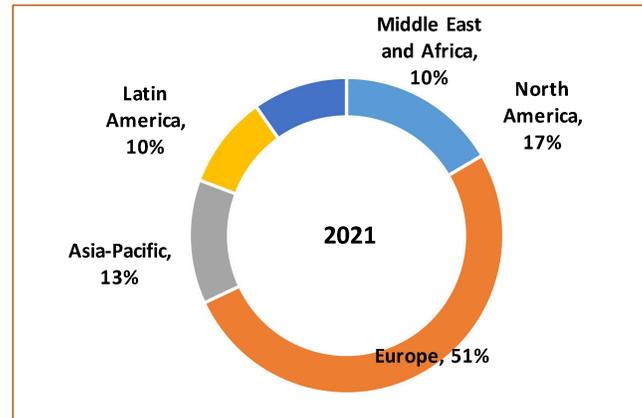
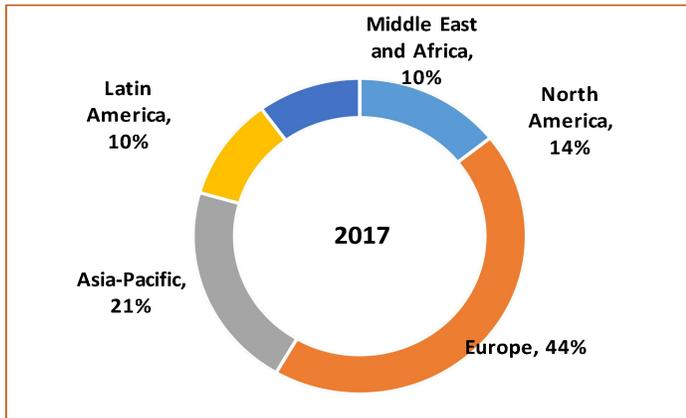
Ongoing recovery in Visa applications post pandemic



Despite geo-political & economic turmoil in 2023, travel sector is recovering rapidly, signifying huge opportunity for Visa & Consular Services.

Rising demand for cross-border travel, need for seamless Visa processing, and integration of advanced technologies, would contribute to sector's growth

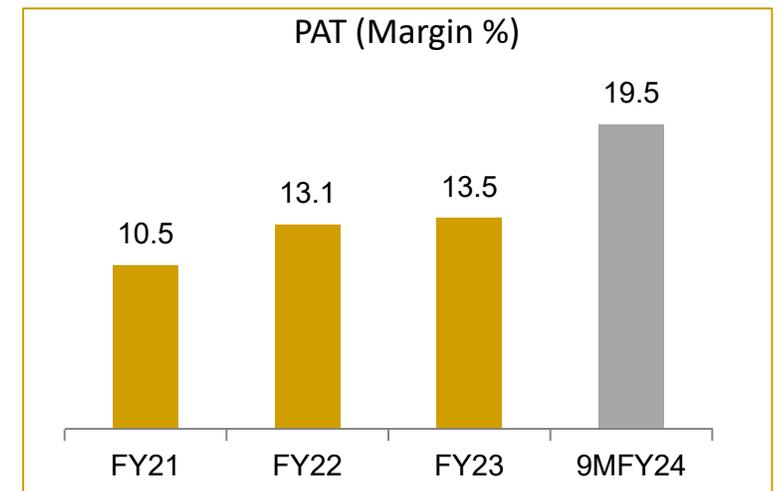
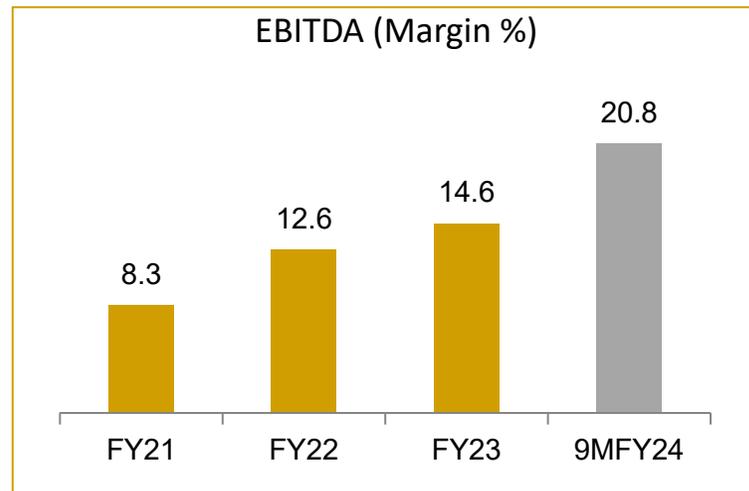
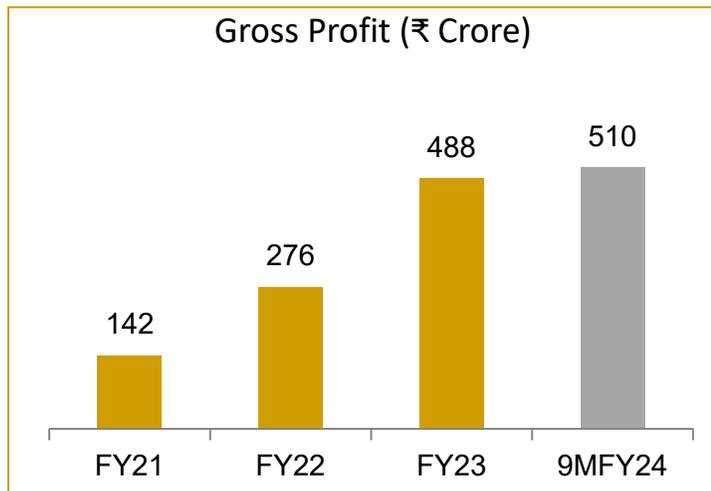
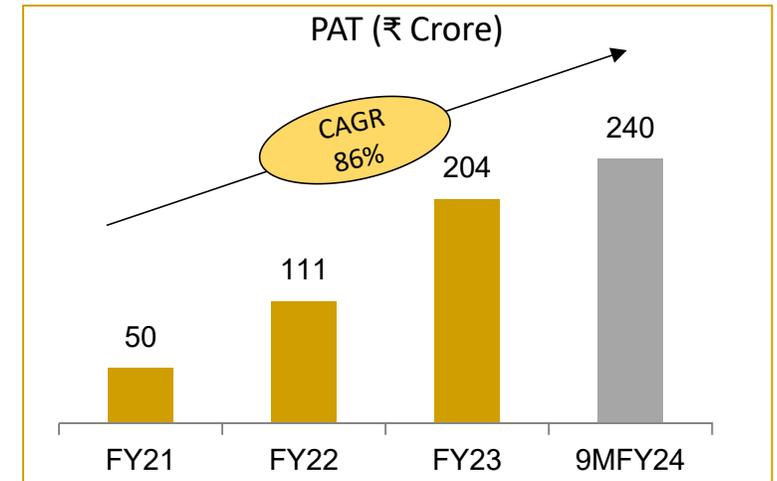
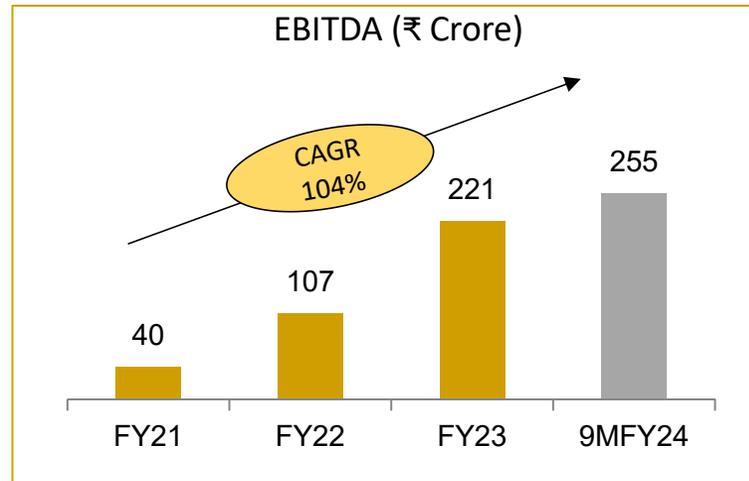
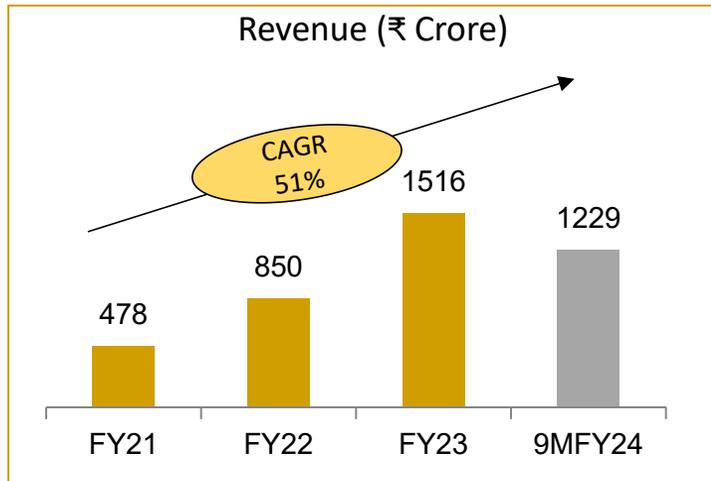
Europe continues to be Key Market for Visa Services Market





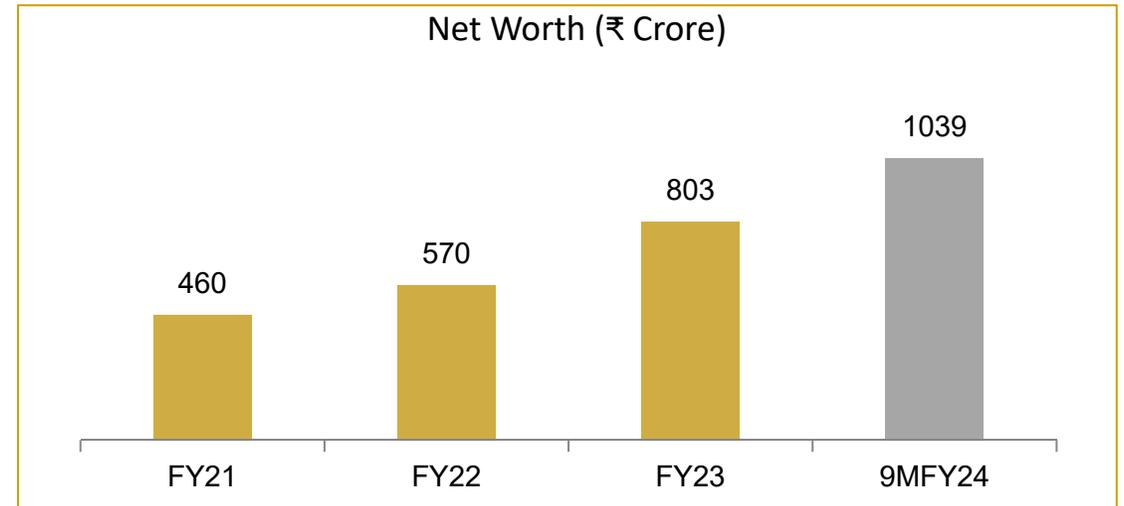
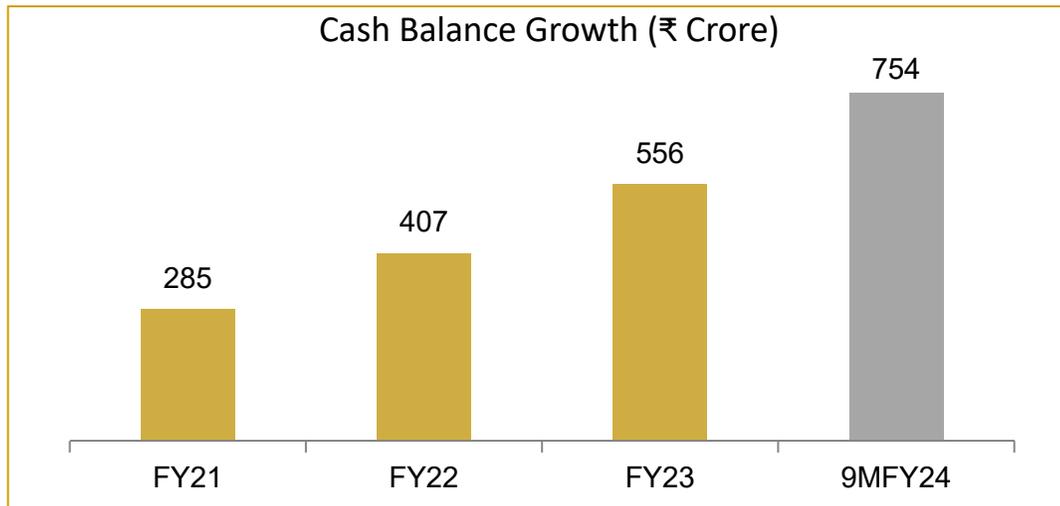
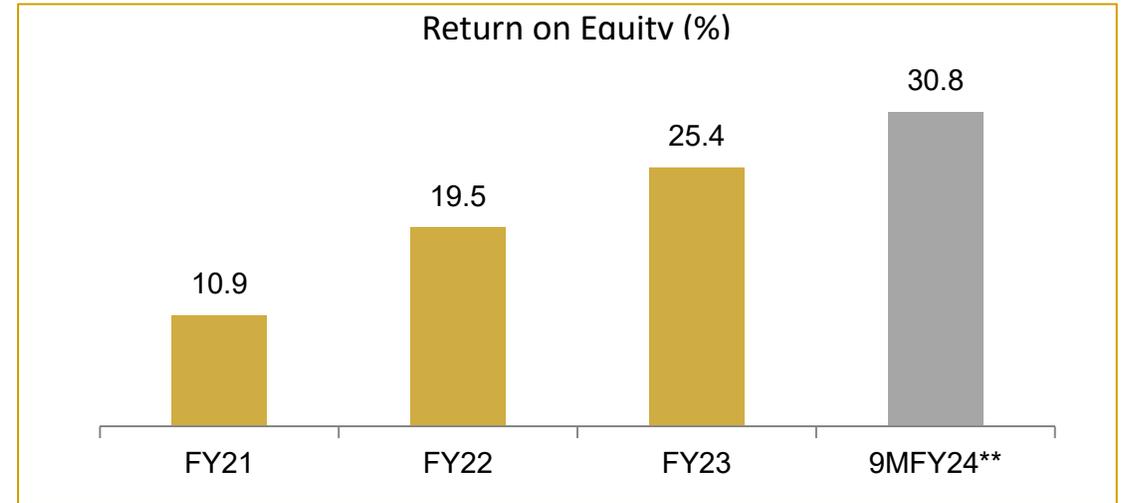
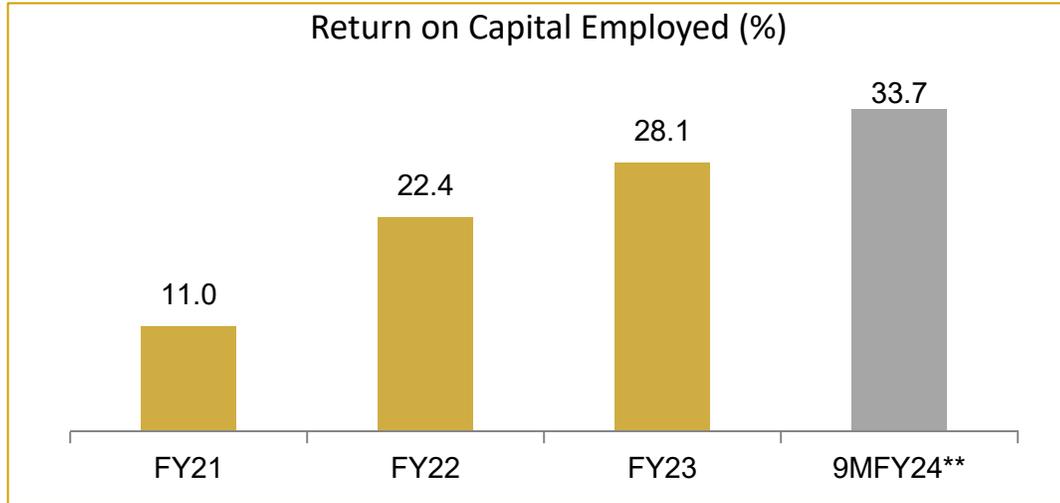
Historical Financial Highlights

Historical Financial Highlights



Note - CAGR calculated on annualized 9MFY24

Strong Balance Sheet with significant Return Ratios



** ROCE & ROE calculated basis 9MFY24 Annualized Figures

Historical Consolidated P&L Highlights

(Rs. in Cr)	FY20	FY21	FY22	FY23	9MFY24
Revenue	786	478	850	1516	1229
Gross Profit	236	142	276	488	509
<i>(Gross Margin)</i>	<i>30%</i>	<i>30%</i>	<i>32%</i>	<i>32%</i>	<i>41%</i>
Employee & Operating expenses	153	102	169	267	147
EBITDA	83	40	107	221	255
<i>(EBITDA Margin)</i>	<i>11%</i>	<i>8%</i>	<i>13%</i>	<i>15%</i>	<i>21%</i>
Finance Cost	2	0.5	0.7	0.7	1.8
Depreciation	12	9	7	18	20
Other Income	13	19	15	21	25
One-time income/ (expense)	(28)	-	-	2.6	-
PBT	55	48	114	223	259
<i>(PBT Margin)</i>	<i>7%</i>	<i>10%</i>	<i>13%</i>	<i>15%</i>	<i>21%</i>
Tax Expenses	2	(2)	3	16	18
Reported PAT	52	50	111	204	240

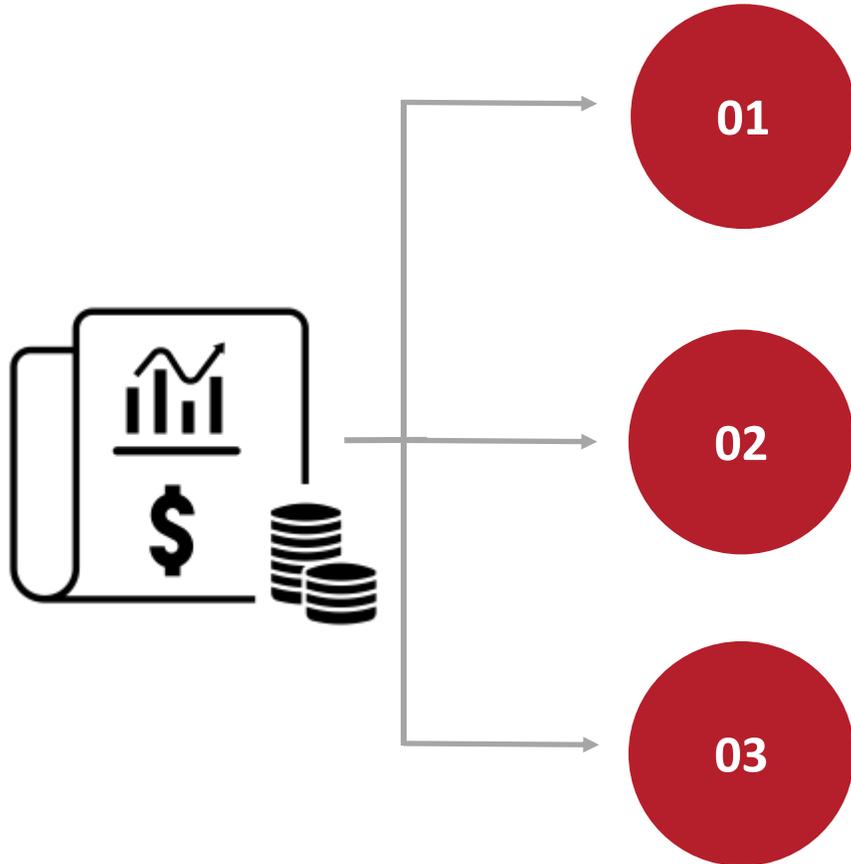
Historical Consolidated Balance Sheet

(Rs. in Cr)	Mar'22	Mar'23	Sep'23
Share Capital	10.2	41.2	41.2
Shareholders' Funds	569.8	802.9	952.1
Non controlling Interest	0.0	34.3	39.6
Provisions	2.9	3.6	3.6
Total Non-Current Liabilities	9.0	8.1	18.1
Borrowings	3.1	-	-
Trade Payables	18.3	29.5	42.0
Other Current Liabilities	5.5	17.0	37.1
Current Tax Liabilities	-	-	-
Other Financial Liabilities	25.5	51.5	71.2
Provisions	0.1	0.2	0.4
Total Current Liabilities	54.5	100.2	160.4
Total Liabilities	633.3	945.4	1,170.2

(Rs. in Cr)	Mar'22	Mar'23	Sep'23
Fixed Assets incl. CWIP	84.2	98.6	124.1
Intangible Assets	20.0	53.7	52.5
Deferred Tax (Net)	8.7	7.7	3.1
Investments	70.1	88.3	88.9
Other Financial Assets	41.4	35.1	14.5
Income Tax & Other Non-Current Assets	5.5	11.1	12.3
Total Non-Current Assets	237.9	376.0	379.0
Trade Receivables	22.3	30.9	45.6
Cash and Bank	324.2	475.9	626.9
Other Financial Assets	38.7	51.8	96.6
Other Current Assets	10.2	10.2	15.9
Current Tax (Net)	-	-	0.0
Total Current Assets	395.4	569.4	791.3
Total Assets	633.3	945.4	1,170.2



Way forward



Organic growth

- Focus on volume led growth across the two business segments
- Follow an aggressive bidding strategy for new upcoming tenders
- Tap new geographies and countries for all the services under BLS; and explore further expanding business operations in similar kind of government related services
- Enhance the quality of value-added services thereby enhancing customer experience

Invest in technology to further build robust systems and processes

- Invest in technologies, infrastructure & manpower to tap exciting possibilities related to digitalization, last mile penetration & enhanced service experience
- Tech like identity management, blockchain, facial recognition, Artificial Intelligence, chat bots etc. to boost servicing capabilities

Inorganic Opportunities

- Actively scouting for strategic inorganic opportunities, which would provide synergy to the existing businesses, with an objective to maximize shareholder's value