

August 09, 2023

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 un-audited financial performance of the BLS International Services Limited for the first quarter ended June 30, 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.: ACS40502

Encl: as above



Investor Presentation

Q1 FY24



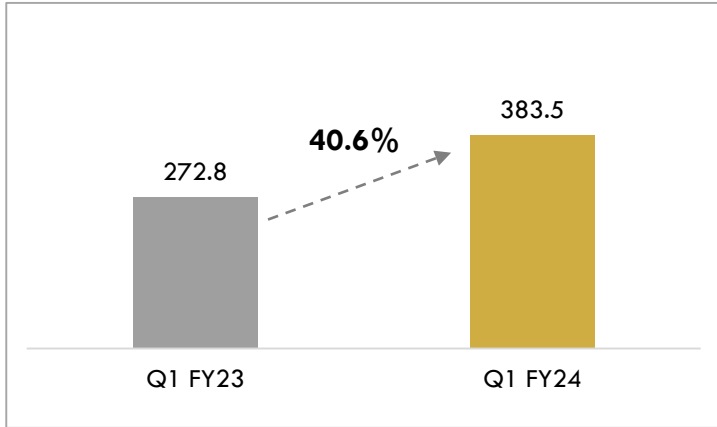
Management Discussion & Analysis of Results

- Company registered Consolidated Operational Revenue of **Rs. 383.49 crores** & quarterly EBITDA at **Rs. 80.05 crores** in Q1 FY24
- Consolidated Revenues stood at **₹ 383.49 crores in Q1 FY24**, up by **40.56%** from **₹ 272.8 crores** in Q1 FY23, mainly driven by strong growth in Visa & Consular business
- EBITDA stood at **₹ 80.05 crores** in Q1 FY24, up **154.15%** from **₹ 31.50 crores** in Q1 FY23. Operational efficiencies, coupled with higher revenue from Value Added Services, helped boost EBITDA margins despite higher employee costs
- Profit After Tax (PAT) for the quarter is **₹ 71.0 crores** compared to **₹ 30.7 crores (up 131.2% YoY)**
- Revenue from **Visa segment grew 25.9%** YoY
- Revenue from **Digital Services business expanded 140.5%** YoY supported by sales from ZMPL
- Annualized Return on Equity stands at **37.3%**. Company constantly strives to improve this by better utilization of assets and cost optimization, resulting in improvement of margins
- Management focused on improving cash generation as a key business performance metric and have generated cash from operations of **Rs. 77 crores** during the Q1 FY24
- The Group continues to remain debt-free and have Cash & Cash Equivalents of **Rs. 642 crores**
- Company announced **IPO for subsidiary BLS E-Services** to raise funds to support growth strategies for Digital Services business

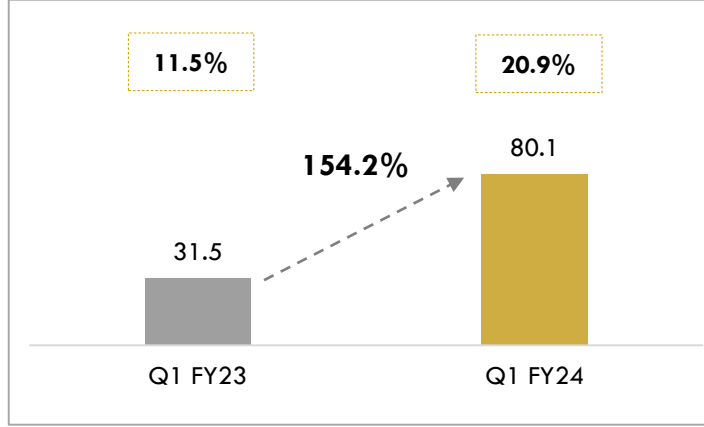
Financial Highlights

Quarterly Highlights

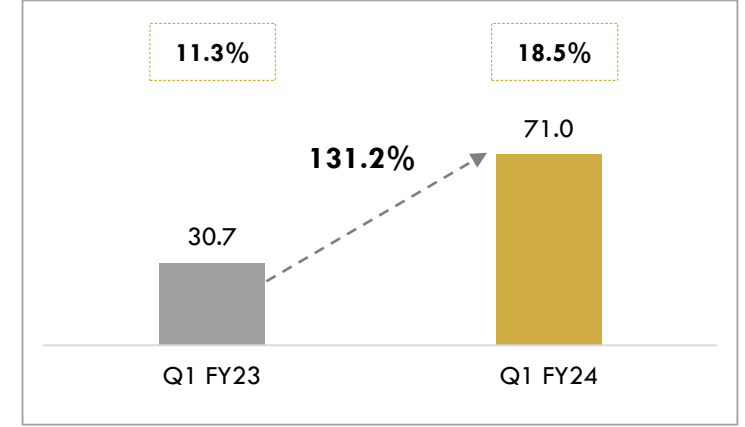
Revenue (Rs Cr)



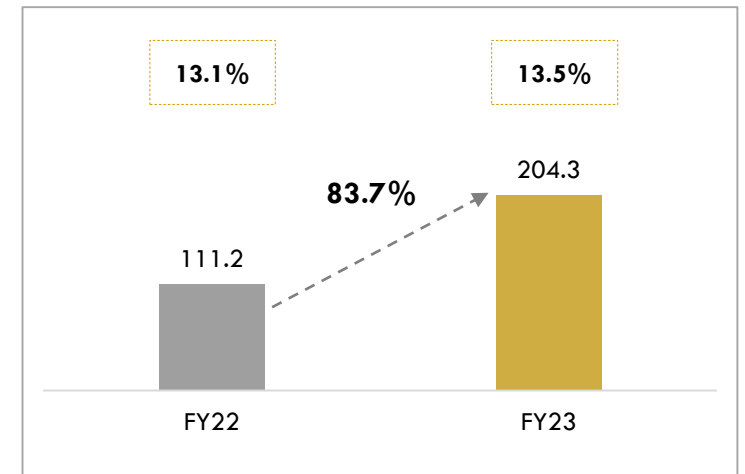
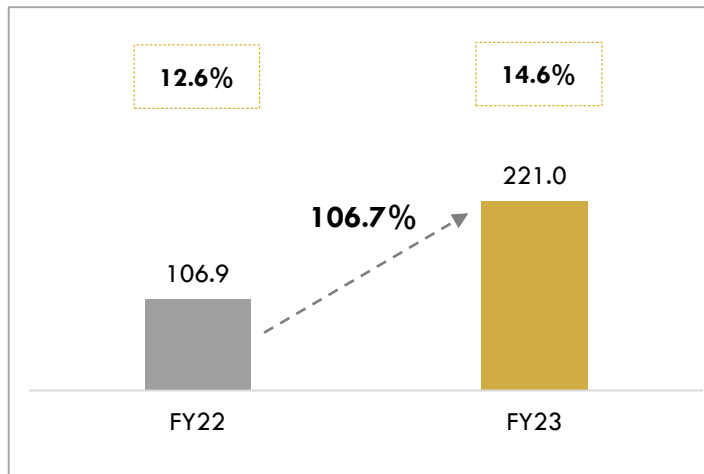
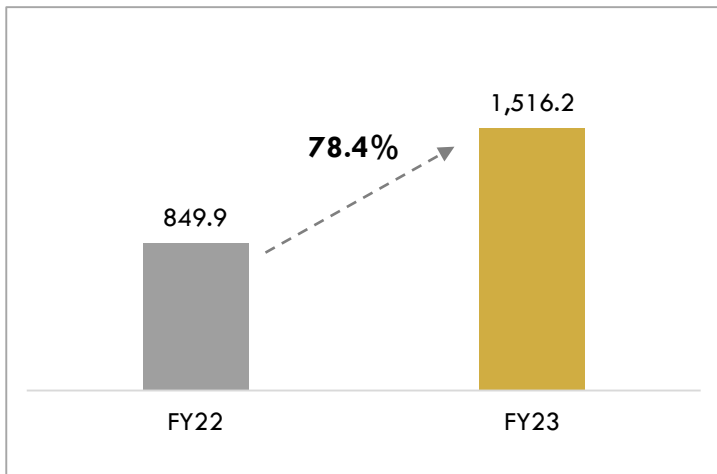
EBITDA (Rs Cr) & EBITDA Margin (%)






PAT (Rs Cr) & PAT Margin (%)



Annual Highlights



Consolidated Quarterly Profit and Loss Statement



(Rs. in Cr)	Q1 FY24	Q1 FY23	% Change	Q4 FY23
Revenue	383.49	272.82	40.56% 	448.63
Gross Profit	156.70	89.36	75.35%	142.02
(Gross Margin)	40.86%	32.76%	810 bps	31.66%
Operating expenses	33.07	30.10		34.95
EBITDA	80.05	31.50	154.15% 	66.53
(EBITDA Margin)	20.88%	11.55%	933 bps	14.83%
Other Income	7.02	3.76		7.00
Depreciation	6.36	2.61		7.99
Finance Cost	0.28	0.24		0.38
PBT*	80.44	32.41	148.15%	87.16
Tax Expenses	9.45	1.71		10.43
PAT	70.99	30.70	131.23% 	76.73

- Q1 FY24 operational revenue up 40.6% YoY driven by robust recovery in Visa & Consular business
- Digital Services revenue up ~140% YoY supported by ZMPL

- EBITDA for Q1 FY24 up 154.2% YoY with EBITDA margin of 20.9% up by 933 bps
- Cost optimizations and Value Added Services helped offset rise in employee costs, leading to better EBITDA margins

* Incl. Exceptional Items

Consolidated Annual Profit and Loss Statement

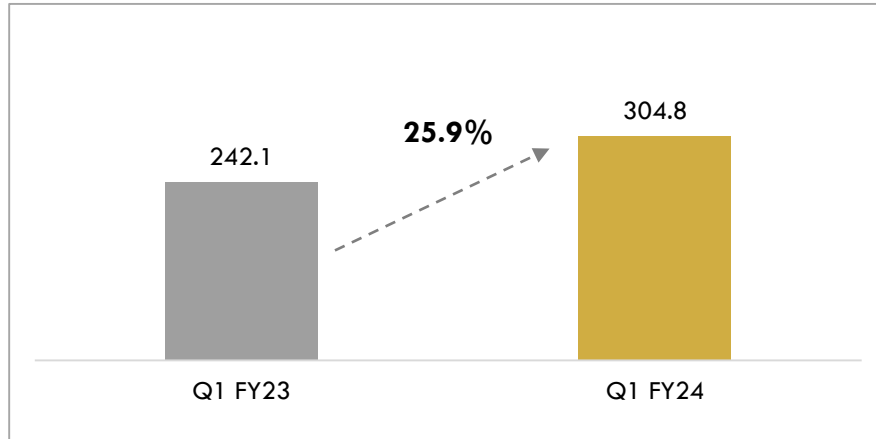
(Rs. in Cr)	FY23	FY22	% Change
Revenue	1516.19	849.89	78.4% 
Gross Profit	487.57	276.02	76.6%
(Gross Margin)	32.16%	32.48%	(32) Bps
Operating expenses	126.92	93.30	
EBITDA	221.00	106.93	106.7% 
(EBITDA Margin)	14.58%	12.58%	200 bps
Other Income	21.25	14.95	
Depreciation	18.49	7.25	
Finance Cost	0.67	0.67	
PBT*	220.49	113.96	93.5%
Tax Expenses	16.22	2.76	
PAT	204.27	111.20	83.7% 

* Incl. Exceptional Items

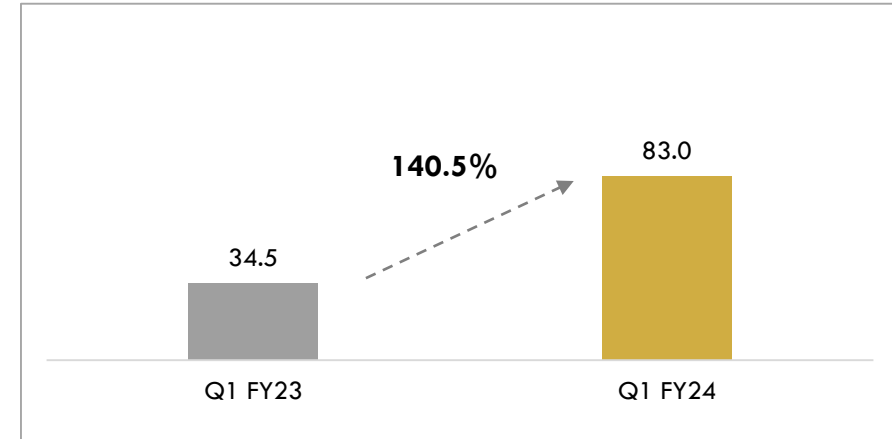
Segmental Growth

Revenue

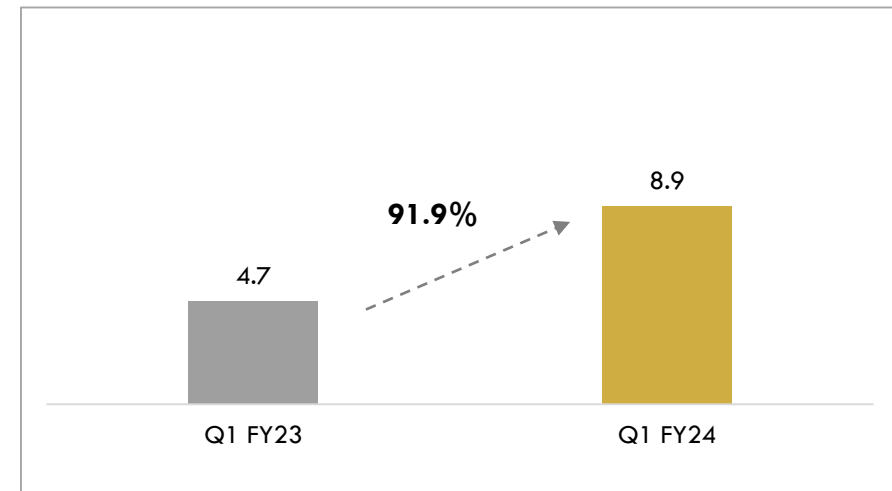
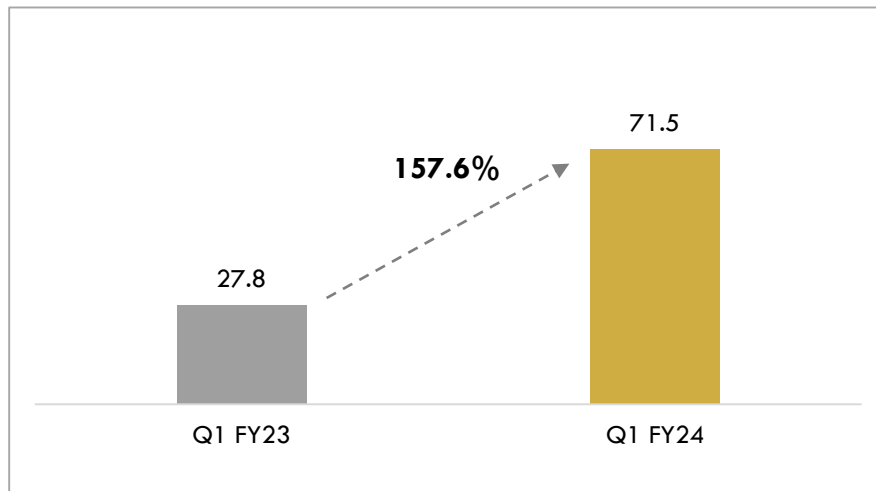
Visa & Consular (Rs Cr)



Digital Services (Rs Cr)



PBT





Company overview

Our competitive edge

Expanding global network

Operating in 64 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

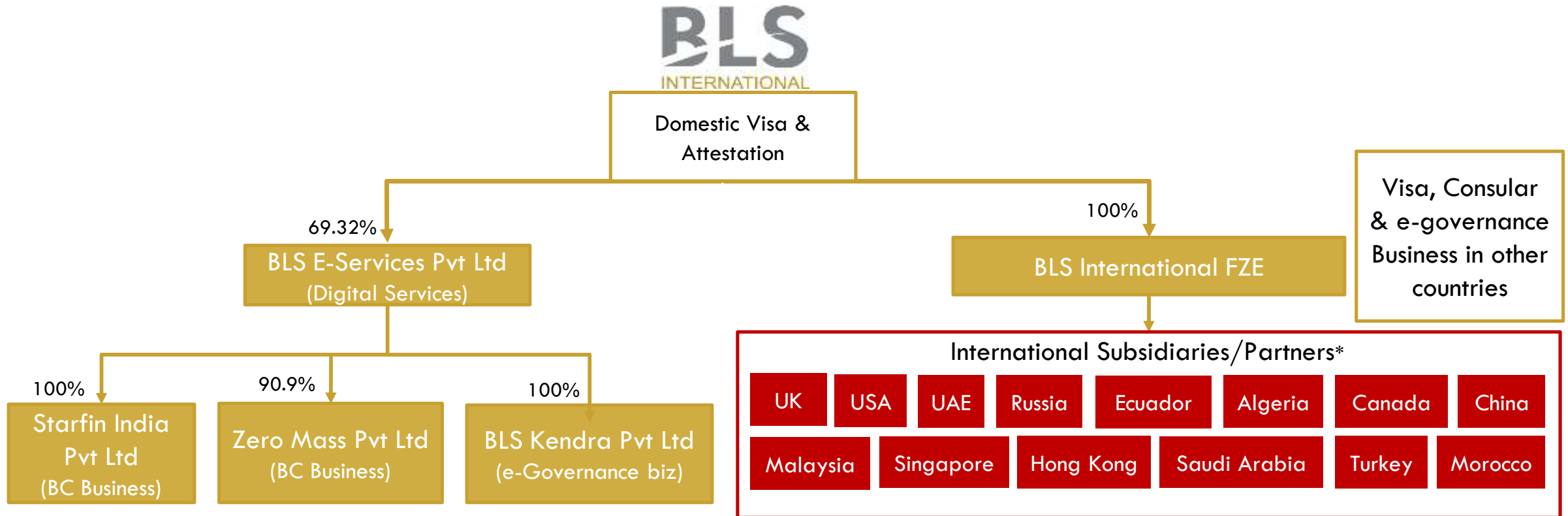
Net debt free and high FCF business

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

Healthy balance sheet and return ratios

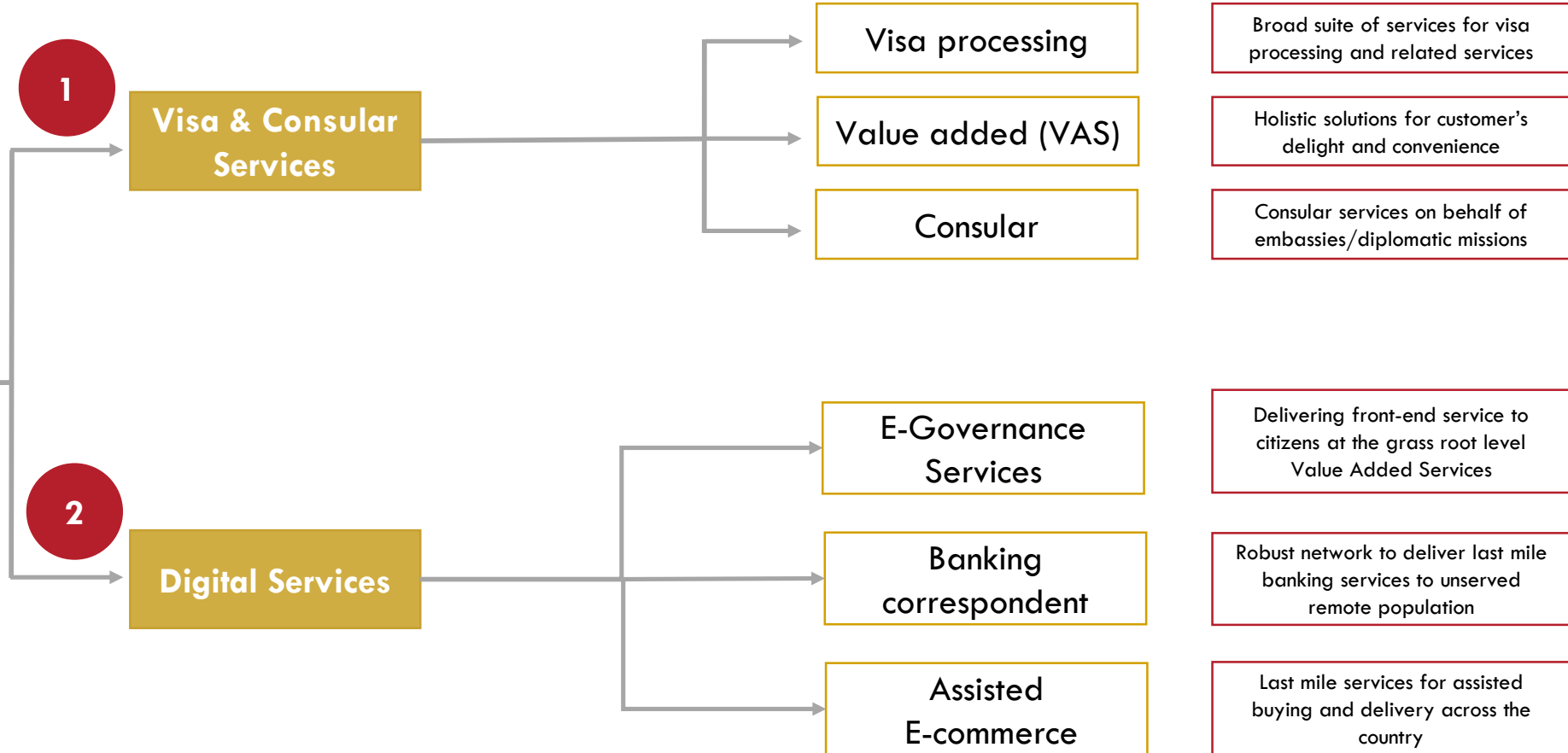
BLS has become a leading global player in visa processing and one of the early movers in tech-enabled citizen services

Corporate Structure



* 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; 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

Punjab Project

- Delivered front-end service (~430G2Cs) to Indian citizens at the grassroots level and enhanced citizen's convenience
- Catered 1.84 crore population and covered 16 districts across the state
- Decentralized service helped decongest traffic flow into cities, moderate carbon footprint and reduce unproductive commuting

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

~ 18,000 CSP's
across the
country

INR 5,000 crores
monthly average
volume

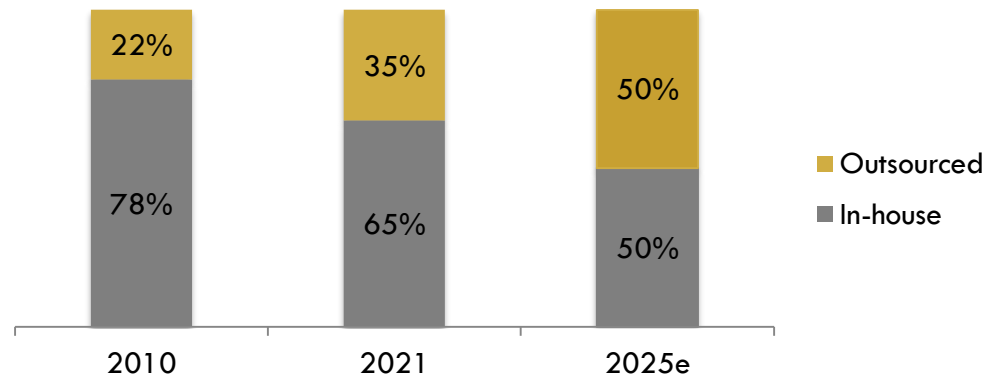
E-commerce & Other Services

- 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

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

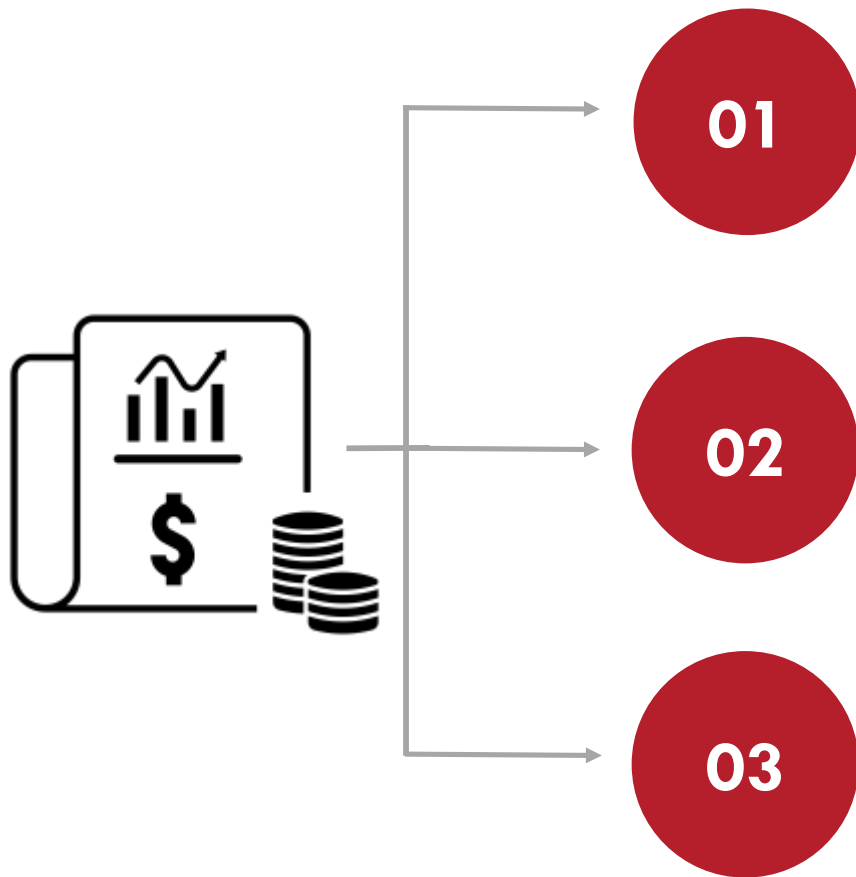
Global

- 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

Strong balance sheet to support for the next leg of growth



Invest in tech 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, AI, chat bots etc. to boost servicing capabilities

Inorganic opportunities

- Actively scouting for potential investment in businesses which are government and/or IT related processing (digitalization)
- Targeting opportunities across value chain which would provide synergy to existing digital services business

Organic growth in the existing businesses

- Focus on digital services to capitalize on potential growth opportunities
- More value-added services to existing clients thereby increasing wallet share
- Tap new geographies and countries for all businesses visa, consular and e-governance services

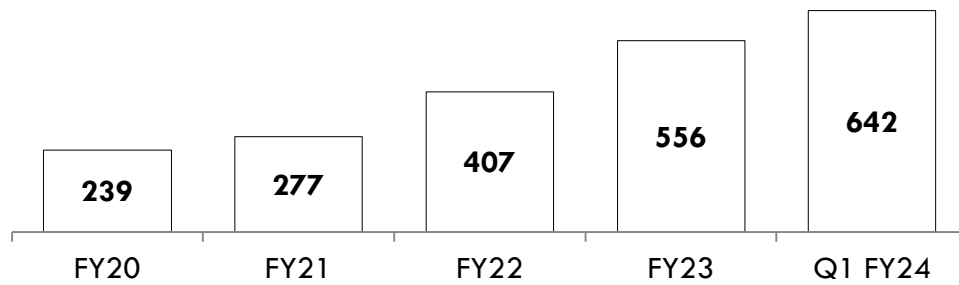
Cash, bank and equivalent to be utilized to support the growth strategy



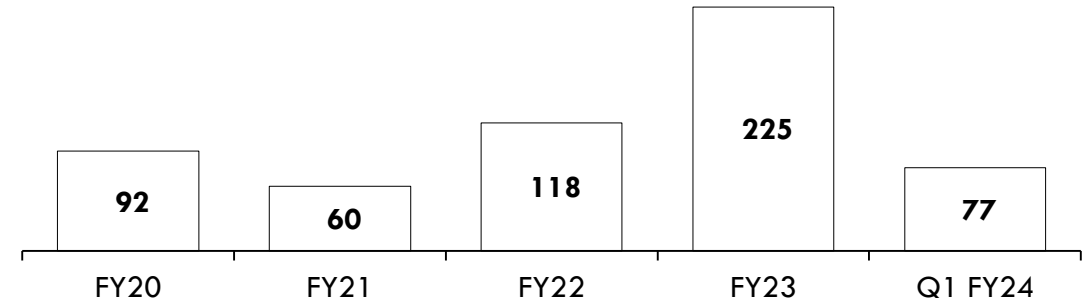
Historical Financial Highlights

Net cash positive, high FCF business model

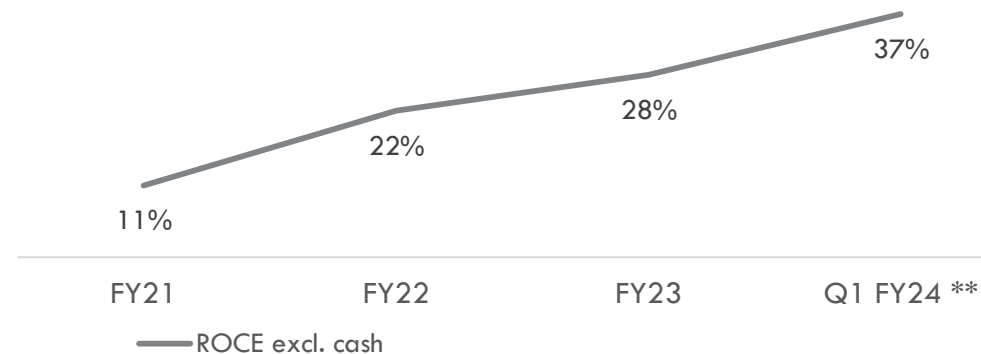
Cash, bank and equivalents (Rs. Crores)



Cash flows from operations (Rs. Crores)



ROCE* (%)



* ROCE = EBIT/(Shareholders Funds + Total Debt + Goodwill – Non-Current Investments)

** Annualized Figure

Historical Consolidated P&L Highlights

(Rs. in Cr)	FY19	FY20	FY21	FY22	FY23
Revenue	804	786	478	850	1516
Gross Profit	266	236	142	276	488
<i>(Gross Margin)</i>	<i>33%</i>	<i>30%</i>	<i>30%</i>	<i>32%</i>	<i>32%</i>
Employee & Operating expenses	157	153	102	169	267
EBITDA	108	83	40	107	221
<i>(EBITDA Margin)</i>	<i>13%</i>	<i>11%</i>	<i>8%</i>	<i>13%</i>	<i>15%</i>
Finance Cost	10	2	0.5	0.7	0.7
Depreciation	19	12	9	7	18
Other Income	43	13	19	15	21
One-time income/ (expense)	35	(28)	-	-	2.6
PBT	122	55	48	114	221
<i>(PBT Margin)</i>	<i>15%</i>	<i>7%</i>	<i>10%</i>	<i>13%</i>	<i>15%</i>
Tax Expenses	17	2	(2)	3	16
Reported PAT	105	52	50	111	204

Historical Consolidated Balance Sheet

(Rs. in Cr)	Mar'21	Mar'22	Mar'23
Share Capital	10.2	10.2	41.1
Shareholders' Funds	459.8	569.8	802.8
Non controlling Interest	0.1	0.0	34.3
Provisions	3.0	2.9	3.6
Total Non-Current Liabilities	3.3	9.0	8.1
Borrowings	-	3.1	-
Trade Payables	9.6	18.3	29.5
Other Current Liabilities	7.5	5.5	17.0
Current Tax Liabilities	0.1	-	-
Other Financial Liabilities	17.6	25.5	51.5
Provisions	0.1	0.1	0.2
Total Current Liabilities	34.9	54.5	100.2
Total Liabilities	498.1	633.3	945.4

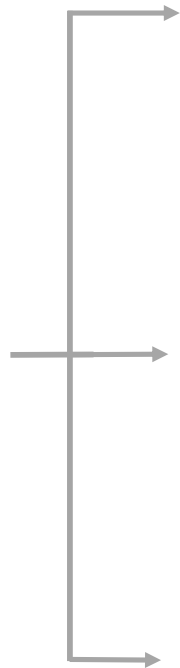
(Rs. in Cr)	Mar'21	Mar'22	Mar'23
Fixed Assets incl. CWIP	24.6	84.2	98.6
Intangible Assets	5.0	20.0	53.7
Deferred Tax (Net)	6.7	8.7	7.7
Investments	24.1	70.1	88.3
Other Financial Assets	15.9	41.4	35.1
Income Tax & Other Non-Current Assets	0.8	5.5	11.1
Total Non-Current Assets	85.2	237.9	375.9
Trade Receivables	100.2	22.3	32.6
Cash and Bank	277.4	324.2	475.9
Other Financial Assets	27.0	38.7	51.8
Other Current Assets	5.1	10.2	8.5
Current Tax (Net)	3.2	0.0	0.0
Total Current Assets	412.9	395.4	569.4
Total Assets	498.1	633.3	945.4

Historical Consolidated Cash Flow

(Rs. Cr)	FY23		FY22	
C/F from operating activities	266	260	Operating profit before WC change	144
	13		Change in Working Capital	48
	(19)		Direct taxes	(7)
C/F from investing activities	(68)	(238)	Purchase of property, plant and equipment and intangibles	(82)
	19		Proceeds from sale / purchase of investment	(48)
	(81)		Gain on business acquisition	-
	(118)		Investments in term deposits	(45)
	10		Interest incomes	4
C/F from financing activities	48	7	Proceed from issue of shares capital by subsidiaries	-
	(14)		Repayment of current borrowing (Net)	3
	0		Repayment of lease liabilities	(2)
	(26)		Dividend paid (including dividend distribution tax)	(13)
	(1)		Interest paid	-
	30	Net increase / (decrease) in cash and cash equivalent	2	
	37	Cash and cash equivalent at the beginning of the year	35	
	-	Cash and cash equivalent acquired during the acquisition new subsidiary	-	
	67	Cash and cash equivalent at the end of the year	37	



Way Ahead



01

Strong Focus on Digital Services

- Pursue growth opportunities in e-Governance and BC businesses
- Leverage acquisition of ZMPL to grow Business Correspondent business
- Value-added services expected to yield strong top line and profitability
- Focus on negative working capital and EBITDA accretive businesses

02

Inorganic Expansion

- Seeking good opportunities to utilize cash in acquisitions
- Actively looking for business to strengthen our digital services business lines

03

Actively grow new contracts with Embassies and Consulates

- Focus on upcoming tenders on visa & outsourcing services - potential market size ~ \$1.5 bn
- Target governments that are outsourcing for the first time
- Capitalize on the rebound in travel and tourism post pandemic
- Tie-up with more regional & international governments for visa-related services

Disclaimer

This presentation and the accompanying slides (the “Presentation”), which have been prepared by BLS International Services Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company. This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded. Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guaranteeing of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third-party statements and projections.



Mr. Amit Sudhakar
CFO, BLS International
amit.s@blsinternational.net



Mr. Amit Sharma / Mr. Rahul Trivedi
Adfactors PR (Investor Relations Advisor)
amit.sharma@adfactorspr.com
rahul.trivedi@adfactorspr.com
