

May 20, 2024

National Stock Exchange of India Ltd., Exchange Plaza, C-1 Block G, Bandra Kurla Complex Bandra [E], Mumbai – 400051 NSE Scrip Symbol: BLS	BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 BSE Scrip Code: 540073	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 MSE Scrip Symbol: BLS
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Subject: **Transcript of Earnings Call held on May 15, 2024**

In continuation to our intimation dated May 10, 2024, please find enclosed a transcript of the Earnings Call held on Wednesday, May 15, 2024 to discuss the operational and financial performance for the fourth quarter and year ended March 31, 2024.

The transcript is also available on the Company's website at <https://www.blsinternational.com/>

You are requested to take the same on your records.

For BLS International Services Limited

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

Encl: as above



“BLS International Services Limited
Q4 FY24 Earnings Conference Call”

May 15, 2024

MANAGEMENT: MR. NIKHIL GUPTA – MANAGING DIRECTOR
MR. SHIKHAR AGGARWAL – JOINT MANAGING
DIRECTOR
MR. AMIT SUDHAKAR – CHIEF FINANCIAL OFFICER
MR. LOKANATH PANDA – CHIEF OPERATING
OFFICER – DIGITAL BUSINESS
MR. GAURAV CHUGH – HEAD INVESTOR RELATIONS



*BLS International Services Limited
May 15, 2024*

Moderator:

Ladies and gentlemen, good day, and welcome to the Q4 and FY24 BLS International Services Limited 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 the conference, 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 over to Mr. Gaurav Chugh, Head of Investor Relations from BLS International Services Limited. Thank you, and over to you, sir.

Gaurav Chugh:

Thank you, Dorwin. A very good afternoon, everyone, and thank you for joining the Q4 and FY24 earnings call of BLS International Services Limited. To give you all, an overview of the company and to discuss the operational and financial performance, we have with us on the call today, Mr. Nikhil Gupta, our Managing Director; Mr. Shikhar Aggarwal, our Joint Managing Director; Mr. Amit Sudhakar, our Chief Financial Officer; and Mr. Lokanath Panda, COO of our Digital business.

The company's investor presentation and press release has already been uploaded on the stock exchanges as well as on the company's website and we hope you all have had an opportunity to go through the same. Let me remind you that this discussion may contain forward-looking statements that may involve known or unknown risks, uncertainties and other factors. It may be viewed in conjunction with our business risk that could cause future results, performance or achievements to differ significantly from what is expressed or implied by such forward-looking statements.

I would like to hand over the call to Mr. Shikhar Aggarwal for his opening remarks, post which Mr. Amit Sudhakar will discuss the financial performance, and then we'll open the floor for an interactive Q&A session.

Thank you, and over to you, Mr. Shikhar.

Shikhar Aggarwal:

Thank you all for joining us on this earnings call to review our operational and financial performance for the quarter and full year ended March 31, 2024. We trust you had the chance to review our results, press release and the latest investor presentations, which are available on both the stock exchanges and our company's website.

I'm pleased to report that our company has delivered a robust performance in this fiscal year 2024 with consolidated profitability surging by almost 60% year-on-year. As we embark on fiscal year 2025, our commitment remains steadfast to achieving strong financial results through our focused strategy and structural adjustments to our business model, particularly within our Visa and Consular segment.

We have transitioned from a partner-backed model to managing our own operations, a move

that underscores our dedication to optimizing performance. Our Visa and Consular business has sustained its growth trajectory, experiencing decent increase in both revenue and volumes during the year. The growth as well was supported by the overall expansion in the global travel and tourism industry.

Gross revenue in the Visa and Consular business increased by almost 8% to INR1,361 crores, contributing around 81% of the consolidated revenue. The business generated EBITDA margins of 22.1% in FY24, up sharply around 726 basis points year-on-year from 14.8% EBITDA margin in FY23. We successfully renewed and re-won our global contracts with the Spanish government and the contract for the Indian government in Canada, augmenting our service portfolio to enhance our offering.

Additionally, we secured another additional global contract from Slovakia and secured visa outsourcing contracts from Germany, Italy, Poland, Thailand, Malaysia, Hungary, Czech Republic and Portugal that we started just last week. A significant milestone in our global strategy was a definitive agreement to acquire a pertinent stake in iDATA, a leading provider of visa & consular services based in Turkey. This strategic move aligns seamlessly with our objective and is expected to enhance our market presence substantially. We expect this acquisition to be completed by 30th June 2024, subject to necessary regulatory approvals.

To elevate customer experience, we have implemented several initiatives across our value chain, including a new appointment system with advanced facial recognition technology, a dedicated mobile app for Italian customers and a revamped website platform. Our commitment to providing essential services such as counsellor support, passport processing and visa facilitation remains unwavering.

In the digital service domain, we have witnessed commendable growth in both revenue and profitability, highlighted by the successful completion of the INR 300 crores IPO of BLS E-Services Limited. The funds raised will fuel the expansion of our digital service arm enabling investments in new technology, service offerings and outright efforts. Our digital business expanded its reach to over 1 lakh touch points and 1,000 BLS stores, reflecting our dedication to promote financial inclusion and digital empowerment.

Partnerships with public and private sector banks exemplified by initiatives like Har Ghar Suraksha and DBS Dastak underscore our commitment to extending banking services to underserved population of the country. Our innovative solutions such as the Business Facilitator model and Iris scanner have been instrumental in driving success and delivering value to our partners.

We have recently launched doorstep banking services tailored for the elderly in 25 states and union territories, making banks more accessible and convenient for them. This service aims to address the challenge faced by elderly in accessing traditional banking facilities. Looking ahead,

we are focused on organic growth initiatives and strategic acquisitions to expand our market share and strengthen our competitive position. Our unwavering commitment to generating sustainable value for our stakeholders, underscores our responsible approach to growth.

Now I'll turn over the call to Mr. Amit Sudhakar, our Chief Financial Officer, for further updates on financial performance. Thank you.

Amit Sudhakar:

Thank you, Shikhar. Good afternoon, everyone. I'm pleased to present the consolidated financial performance for the fourth quarter and full year ended March 31, 2024. During Q4 FY24, our revenue from operations stood at INR 447.7 crores. Our Visa and Consular business remained steady in this quarter. Our EBITDA surged to INR 90.3 crores from INR 66.5 crores in Q4 FY23, showing a robust growth of 35.7% Y-o-Y, primarily due to reduction in service costs. However, employee costs and other expenses was higher this quarter due to change in our business model, including transition from partnership model to direct operational management.

This transition resulted in increase in our workforce and expenses on refurbishment of our new offices, contributing to higher other expenses. Our EBITDA margin expanded significantly by 534 basis points to 20.2% in Q4 FY24, indicating an effective cost management and better revenue mix. PBT before exceptional items stood at INR 93.5 crores, up from INR 65.2 crores in Q4 FY23, marking a 43.4% increase. PAT reached INR 85.5 crores showing a growth of 11.4% Y-o-Y compared to INR 76.7 crores in Q4 FY23. In Visa business, the gross revenue for Q4 FY24 stood at INR 370.4 crores while EBITDA grew by 40.5% Y-o-Y to INR 77 crores from INR 54.8 crores in Q4 FY23. Our digital business revenue stood at INR 77.3 crores with EBITDA of INR 13.3 crores in Q4 FY24.

Moving on to full year financial performance. We witnessed a 10.6% increase in revenue from operations, reaching to INR 1,676.8 crores from INR 1,516.2 crores in FY23 driven by a higher revenue in both the segments. EBITDA showed remarkable growth increasing by 56.4% to INR 345.7 crores compared to INR 221.1 crores in FY23. Our EBITDA margin improved to 20.6% in FY24, up from 14.6% in FY23, indicating a significant expansion of 603 basis points.

PAT for FY24, experienced a robust growth of 59.4% to INR 325.6 crores compared to INR 204.3 crores in FY23 with improvement in margin by 595 basis points. The earnings per share for full year for FY24 was at INR 7.6 per share against INR 4.89 per share in FY23, registering a growth of 55.4%.

In Visa business, the revenue for FY24 stood at INR1,361.8 crores, up from INR1,259.9 crores in FY23, while the EBITDA grew by 61% Y-o-Y to INR 300.5 crores in FY24 with a margin of around 22.1%. Our digital business demonstrated a strong performance. For the full year the revenue increased by 22.9% Y-o-Y to INR 315 crores in FY24, up from INR 256.3 crores in FY23. EBITDA also increased by 31.3% Y-o-Y to INR 45.1 crores in FY24. We take pride in

being a financially strong company, supported by our low-cost and asset-light business model.

As of March 31, 2024, our cash balance stood at INR 1,135 crores, including proceeds from the IPO of BLS E-Services Limited. Further, our esteemed Board have recommended a final dividend for financial year 2024 of INR 1 per share to the shareholders, including an interim dividend of INR0.50 per share.

With that, I would request the moderator to open the floor for questions. Thank you.

Moderator: Thank you very much. We will now begin with the question-and-answer session. The first question is from the line of Ravi Naredi from Naredi Investments.

Ravi Naredi: Fantastic result you have posted for FY24. Sir, iDATA, you mentioned by June '24, we complete acquisition. Can you tell top line, bottom line, our margin of iDATA for CY23 or FY24?

Amit Sudhakar: So see, iDATA, the last audited balance sheet for CY22, they had a top line of around EUR 20 million and EUR 10.5 million EBITDA.

Shikhar Aggarwal: For CY22.

Ravi Naredi: Okay. So after acquiring this company June 30, with complete formality, we are seeing any top line growth in FY25?

Amit Sudhakar: Yes, this revenue will get added to our existing revenue. Whatever is our existing business, this will add to that, and the existing revenues are also growing at around 15% every year.

Ravi Naredi: 15%. Sir, any modification in the business will happen due to iDATA, so many offices of our other countries will merge with this iDATA in future.

Amit Sudhakar: Yes, the whole advantage is that we will realign our offices with their offices. They are present, in more than 10 countries and 5 countries are the common countries where we also have our offices. So the whole idea is to align those offices and get the necessary economy of scales from there.

Ravi Naredi: Okay. And sir, last, our enhanced EBITDA margin, which rises by 600 points, it will be continuing FY25, what is your prediction?

Amit Sudhakar: See, this 20% is now the base, and we are now looking at improving it in the current year and you will see that happening because of the business model we are trying to change from partnership to our own management, which will improve our EBITDA margins going forward as well as by acquisition. This company is generating an EBITDA of around 50%. So, the overall EBITDA margin will move up in the current year. We expect this to start happening from the first quarter onwards.

- Moderator:** The next question is from the line of Avnish Khara from Investec.
- Avnish Khara:** My first one is on the gross margins. So you had a decent quarter-on-quarter improvement, so maybe you can provide some sort of colour on why exactly that has happened and whether it's sustainable moving forward?
- Amit Sudhakar:** Yes. As we explained in the previous question, that the business model, the way we are changing it, our margins will go on increasing now because the margin we were paying to the partners will come down. And, as we start operations on our own, these margins will start improving. And that we have seen in the last financial year also.
- Avnish Khara:** Right. So then is it safe to assume that incrementally, I mean, can you provide some sort of an internal target as to where they'll sort of level off?
- Amit Sudhakar:** Our intention is to be around 25% - 27%. That is our target to reach immediately. And then let's see from there how we can improve it further.
- Avnish Khara:** Right. And what are your effective tax rate expectations for the next 2 years?
- Amit Sudhakar:** We are now around 7% to 8%. It will go to around 12%-ish.
- Avnish Khara:** Okay. 12-ish in FY '25. Is that fair to assume?
- Amit Sudhakar:** That's right. Because in the current year, there will be a higher taxes in Dubai, they have come up with a 9% effective tax. So we'll have some impact of that coming in.
- Avnish Khara:** And maybe if I can squeeze in one last question. You've spoken about volumes going down because of Ramadan festival, but that ended in April, right? And we've had sort of 1.5 months of Q1. So maybe you could throw some sort of colour on what kind of volumes we're seeing right now? And another question in relation to that, are we also may be planning any price hikes in the visa business?
- Amit Sudhakar:** So taking the second question first, the price rises are not there because the contracts have a fixed price rates, which have been fixed. So we don't have an option of just changing the pricing. But as you said, because of the festival reason, which started from 10th of March, those 20 days, in the last year, which started in the month of April previous year. So we have seen the volumes have come back and we'll see a better Q1 on volumes compared to the Q4.
- Avnish Khara:** Got it. And on the iDATA front, what kind of ramp-up in revenues do you think is possible for FY '25, given that in '22 calendar year, they've done about EUR 20 million, so any sort of colour on where that can be for FY '25 for us?
- Amit Sudhakar:** Again, we are looking at scaling those operations by at least 25% to 30%, both on the top line as well as on the bottom line.

- Avnish Khara:** Got it. And in relation to that, so your other expenses have spiked up because of the business model change, right? But do you think that because of the iDATA acquisition and then sort of since you have offices in similar geographies, there is a scope for reducing other expenses as a percentage of the revenues?
- Amit Sudhakar:** Yes, it will be. But again, once we get into the operations, we will know much better.
- Shikhar Aggarwal:** Also because of the increase in other expenses, the EBITDA has been impacted.
- Avnish Khara:** Got it. I guess the reason that I'm asking this question is that I'm trying to ascertain whether your margins will be pulled up because of the gross margins or because of the opex that we're able to get under control. Which one will...
- Amit Sudhakar:** The gross margin will improve much more because of the improvement, and that would reflect in the EBITDA margins improvement.
- Moderator:** The next question is from the line of Anuj Jain from Globe Capital.
- Anuj Jain:** Congratulations on the very good set of numbers. So just want to understand, regarding that iDATA acquisition, I mean, due to what kind of problem, this acquisition is being delayed?
- Shikhar Aggarwal:** See, basically, we are doing a multi-jurisdiction acquisition. This company we're acquiring is present in 15 countries. So as a precondition, we have to get certain regulatory approvals from different countries. So those formalities are going on. And that is the reason the acquisition timeline has shifted. Otherwise, the entire due diligence, everything is completed. But since we are a listed company, we cannot acquire a company without all the compliances.
- Anuj Jain:** So right now, we are comfortable with the date that you have given like 30th June. So we are comfortable with that date, or it can be extended further?
- Shikhar Aggarwal:** I think we are working towards according to that date. But you can understand this is a multi-jurisdiction acquisition, so I think so we are on track.
- Anuj Jain:** Okay. And I just want to understand one more thing. I mean, if we add up the iDATA numbers for FY25, we'll get some growth. So let's say, for example, without iDATA, what are the growth we are expecting from this visa business?
- Shikhar Aggarwal:** I can tell you the past historical figures, we did. 3 years back, we did a INR50 crores PAT then we achieved INR 100 crores and last year, we had INR 200 crores. And now for FY24, we closed at INR 325 crores of PAT, so which was a 60% growth compared to last year. So we have been growing quite, I think, above average, I would feel. And our objective always is to maintain whatever we achieve first, so whatever we have achieved last year, our objective will be to maintain that.

Now last year, we won a few contracts with different governments. We renewed some contracts like the Spanish government, with Indian government. We won a few new contracts with Portugal government, Poland, Czech Republic, Germany, Italy. So all these contracts some revenue came in last year, but majority of the revenue will start coming in this year. So definitely, there will be a good growth in terms of the organic business that we have. On top of that, if you add the countries that have not fully opened up, if they open up, numbers should increase further. New tenders that we are bidding for. If you add on these acquisitions of iDATA and other companies also that we are looking at. So definitely, we are in the last 2, 3 years, we are in a growing space right now, and that is the trajectory we want to scale.

Anuj Jain: Yes, that is very exciting, Shikhar. I just want to understand one more thing. I mean, like VFS Global, that is the major player. What kind of market share they are commanding and what is our market share?

Shikhar Aggarwal: See, there is no proper market share available in the world. So definitely what we know is VFS is probably double or more than that, maybe 3x our size. That is what we feel in terms of the market share that they are handling globally. But there is no proper numbers to find that out.

Anuj Jain: Got it. And one last question. I just want to understand like when you are planning to utilize this is for this BLS E-Services, when you're planning to utilize the IPO proceeds?

Amit Sudhakar: If you see in our DRHP, we have worked out a plan of investing this money over the next 1.5 years. We have started the process and a couple of acquisitions are also part of the object of this money. Those are also in advanced stages. As and when we finalize those, the money will get utilized.

Anuj Jain: Okay. And for the cash portion that we are holding, I guess, we are running 5%, 5.5% on those cash levels, if I'm right. Is that correct understanding?

Amit Sudhakar: So it depends. The money, which is in dollar, will be around 5.5%, to 5.75% maximum. And in India, the deposits are at the range of around 7%.

Moderator: The next question is from the line of Priyam Poddar from Value Equity.

Priyam Poddar: So this is with regard to the revenue. If you can share the revenue breakup of digital business between the BC and e-assisted and e-governance for the full year?

Amit Sudhakar: So yes, for digital, for the year, it was INR 315 crores. And visa business for the year was INR 1,361 crores.

Priyam Poddar: Okay. And secondly, if you can share, which are the top 3 to 4 countries for our visa and consular business revenue-wise?

- Shikhar Aggarwal:** Now there basically, we are working in more than 66 countries globally, and we work with more than 46 client governments. So as of now there is no top country, but I could say that regions, in terms of region, we get a good amount of revenue from our operations in North America, wherein we have renewed our contract with Indian embassy. We get a good amount of revenue from Gulf coming in. From Africa, Northern Africa, also our revenue is quite good. From the European countries, from UK, so these are 4, 5 regions wherein we get good amount of revenue.
- Moderator:** The next question is from the line of Sakshee Chhabra from Svan Investment.
- Sakshee Chhabra:** Yes. Sir, I wanted to just understand that for Q1, what would be the sort of volume increase that you are witnessing in the visa issuances?
- Shikhar Aggarwal:** See, definitely, normally, Q1 is the tourist season, at least from India outbound, if you see. So I would say exact numbers, it's too soon, and we don't want to give any forward-looking statement. But I think probably 5% to 10%, we will see an increase in volume in Q1.
- Sakshee Chhabra:** Okay. But it would be not more than 10%?
- Shikhar Aggarwal:** I'm saying that could be the average and could be more or less, I don't know right now. But definitely, the numbers will be higher.
- Sakshee Chhabra:** Okay. But the issues that were there last year in terms of visa issuances, all that have been resolved now, right?
- Shikhar Aggarwal:** Which issues?
- Sakshee Chhabra:** There was like the time taken for visa issuances was much longer last year in the same quarter, right, in Q1, so according to that.
- Shikhar Aggarwal:** See, time issuance, judgment is not our prerogative. We work under the guidance of the government and whatever they inform us, we have to collect the application and transfer it to them. Time taken, everything is dependent on them. So right now the government that we are working for, we know that they are taking quite smooth time and the visa is being turned around in a short duration of time. So that is what we know.
- Moderator:** The next question is from the line of Mayur Bapodara, an Individual Investor.
- Mayur Bapodara:** Sir, congratulations on good set of numbers. Actually, my question was regarding iDATA. So the question is why there is so much difference in EBITDA margin? Like that is a huge difference, that 50% EBITDA margin of sales and ours is 20%. So can we expect that we can also improve our EBITDA margins after we synergize with iDATA?
- Shikhar Aggarwal:** See, they are a very niche and regional player working in only certain geographies from the

last 15 years. And the government that they are working for, they've got contract at a very higher service charge. So definitely, that is the reason. And that was also one of the reasons we have acquired them. So that will also lead to an increase in our EBITDA margin, and we will also learn. We'll add value wherever we can to increase their profitability, but we will also learn and incorporate the things in BLS International. We are more focused on volume, so we will also learn and probably that will lead to an increase in EBITDA for us also.

Moderator: The next question is from the line of Manoj Agarwal, an individual investor.

Manoj Agarwal: I'm an individual investor. I'm pretty new to your company. So if you can tell me what you mentioned that in the press release that there is some transformation in your business model. So what were the issues you were facing in your current business model that you want to transform it? And what would be a few challenges you would be facing?

Shikhar Aggarwal: First of all, we are looking at transforming and improving on the company every day. So that it is not like we have done something wrong, but it is a normal growth of the company that every day you think about what can be improved further, how you can transform the company going forward, next month, 1 year down the line, 2 years down the line. It's the changing environment we live in. So from that respect, we have mentioned that transformation.

And definitely, for example, in certain countries, laws have been changing. We were working with some FMC partners in certain Gulf countries wherein you're not legally allowed to own 100% of the entity. So we had to do revenue sharing with local FMC partners, and that has been changed now. We have done our 100% investment on our own. We are now getting the fruit of that revenue and profitability also. So from that aspect, we have mentioned that business transformation. But from a positive outlook, next year also, we will look at transforming something else. Wherever we see we can improve efficiency and benefit the shareholders and the company, we work on that.

Manoj Agarwal: Okay. So that would be for a few geographies or countries only, you are transforming on a global level?

Shikhar Aggarwal: Correct, correct.

Manoj Agarwal: Okay. And this would be for your visa and consular business only or you are taking this transformation to your digital business?

Shikhar Aggarwal: See, as of now, digital business is in a nascent stage. Right now we are not looking at implementing the same model. But right now only the visa and consular business.

Manoj Agarwal: Okay. And another question I have for your digital business is, its revenues are not expanding much. Can you please elaborate more on the reason behind that?

Shikhar Aggarwal:

No. If you see the revenues that we have done, we achieved a revenue of INR 309 crores, which is a growth of 25% compared to last year. EBITDA, we have achieved around INR 50 crores, which is a growth of 37.6% compared to last year. So definitely, revenue and profitability has gone up. And this year also, we expect because of certain things that we have done, acquisitions that we are planning, the increase in the contract that we have got from different banks, e-governance contract that we have got, revenue and profitability to increase further.

Moderator:

The next question is from the line of Manoj Sah from Laxgov Investments.

Manoj Sah:

My question is the software that you use for the visa and consular services, is it like an in-house developed software or you use a third-party software?

Shikhar Aggarwal:

See everything is in-house from us. The source code, everything is retained by us in-house, but we do use certain outsourced partners globally. In different countries, we have different partners for different kind of requirements.

Manoj Sah:

Okay. Just like for different countries, you will be using it in a local language or the language for the working is in English only across the globe?

Shikhar Aggarwal:

Across the globe, it is in English. It depends on the requirement of the client government.

Manoj Sah:

Okay. And regarding your visa business and consular is around 81% of the total revenue. You're doing the digital business in that e-governance business. So you are doing it at the centre government level currently or you have tie up with state governments in India? And what are your plans for doing these kind of e-governance business in other countries as well?

Shikhar Aggarwal:

We have tied up with both at the central level and state level also. Some of the opportunities, some of the central schemes, Aadhaar, the data quality check and different kind of tenders we're doing directly with them. And a lot of tenders we are doing with state governments, like we recently won the Gujarat land record registration contract as well. So going forward, I see that ample amount of opportunities are there within India. But as we are a global company and we first want to excel in India and then take this model abroad, we are still looking at the same time in opportunities across the world using our resources already present there. So I feel that when the time is right, we might take this global as well.

Manoj Sah:

Okay. So as of now, you're doing this e-governance services in India in partnership with states and the centre, but in future, you might go abroad also.

Shikhar Aggarwal:

Okay.

Manoj Sah:

Okay. And what's the outlook for the FY25 growth, revenue growth? Because this year, it's like in this quarter, it was flat and for the whole year, it was like top line was just 10% growth.

Any guidance for FY25?

Shikhar Aggarwal: First of all, as a company, I personally look at more EBITDA and PAT numbers. I feel we have done a 60% growth at EBITDA level. And a year before that, we also did more than 100% growth in EBITDA. So that is what we are focused on. And I feel definitely this year also, we will surpass the numbers that we achieved last year.

Manoj Sah: Okay. So are you trying to say that the focus is more on the margin side rather than the top line growth or a growth with the margin kind of.

Shikhar Aggarwal: See, definitely, our focus is the growth of the company from wherever it comes. Right now we see that there is a big amount of opportunity in the margin growth. So that is why we are focused on that. And revenue growth will come automatically with the new contracts, existing volume getting increased, everything. So definitely, if we focus on the margin growth, the revenue growth will come automatically.

Manoj Sah: And in the worldwide wherever you got orders, these are your direct orders from the government to you or you have got local partner, he gets the order, and you provide assistance with them. How does it go?

Shikhar Aggarwal: These are all direct orders.

Moderator: The next question is from the line of Priyam Poddar from Value Equity.

Priyam Poddar: So there is just one question that I want to ask. If you can help us, what was the contribution of Punjab government for FY '23 and '24, like the contract, which is no longer with us under digital?

Shikhar Aggarwal: I think probably it will be better if we talk on this individually because right now, we don't have the handy numbers, so from the numbers we can tell you later.

Moderator: The next question is from the line of Rikesh Parikh from Rockstud Capital.

Rikesh Parikh: Congratulation on a good set of number. Sir, I just wanted to understand for the EBITDA, we have added that we'll like to maintain 20% plus going forward. So that was excluding iDATA, we are looking at? Or how one should be looking at?

Amit Sudhakar: Yes, excluding iDATA.

Rikesh Parikh: Okay, excluding iDATA. So including iDATA, that kind of be in the next year, it could be in the range of 24%, 25%, if I look at the current EBITDA number of iDATA.

Amit Sudhakar: Definitely, definitely. I think, it will get in there.

- Rikesh Parikh:** Secondly, in terms of growth, 15% growth what we are guiding 10% to 15% kind of accrued, so that is also excluding this acquisition, or we have included this?
- Shikhar Aggarwal:** All of this is excluding acquisition or new contracts or growth in volume.
- Rikesh Parikh:** Okay. So on the base margin, you're looking at 10% to 15% growth, right?
- Shikhar Aggarwal:** So growth, I think on a normal conservative basis, this is the growth that even for the last 4 years, we have been telling this amount of growth only. 10% will grow, but definitely, numbers are changing. So we'll see.
- Rikesh Parikh:** And then, lastly, this iDATA acquisition is from our Dubai entity, if I'm not wrong?
- Shikhar Aggarwal:** Yes, it's from BLS subsidiary.
- Rikesh Parikh:** So means the cash, that we hold and means we have the profit that we can't fund it to India. So now again, the cash will be arising over there in Dubai, and we won't be able to reward the shareholders from that fund as well. So how do we propose to utilize the cash holding at Dubai?
- Amit Sudhakar:** First, we are using the cash for the acquisition of iDATA, whatever we have at the moment. And then secondly, we get dividend from FZE in India, and we use it for payment of dividends as well as for our funding requirement in India.
- Moderator:** We have no further questions, ladies and gentlemen. I would now like to hand the conference over to Mr. Shikhar Aggarwal for closing comments. Over to you, sir.
- Shikhar Aggarwal:** Thank you, everyone, for joining in our Q4 and FY '24 earnings call. We hope all your queries were answered. In case of any further queries, please feel free to get in touch with Mr. Gaurav Chugh, our Head of Investor Relations, or the IR team at Ernst & Young. We look forward to interacting with you again next quarter. Thank you, and goodbye.
- Moderator:** Thank you. On behalf of BLS International Services Limited, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.

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