

**Publication:** Forbes Asia

**Date:** September Edition

**Heading:** Indian Company Providing Visa and Consular Services Expands Across The Globe

**Link:** <https://www.forbes.com/sites/anuraghunathan/2018/09/04/indian-company-providing-visa-and-consular-services-expands-across-the-globe/#27c92cc55ceb>

**Forbes**

## Indian Company Providing Visa And Consular Services Expands Across The Globe



The young and the restless: 27-year-old Shikhar Aggarwal.

When Shikhar Aggarwal joined his New Delhi family business in 2014-- providing visa, passport and consular services--he was eager to crack new territories. The Indian government and its embassies abroad made up the bulk of revenues at BLS International--with small outsourcing contracts from Portugal, Greece and Hungary. "We needed to explore new clients and projects," says Aggarwal, who came on board as a joint managing director when he was just 23.

He was pursuing an accounting career and doing an Indian internship at Grant Thornton when he decided to veer toward the family business. He set in motion a series of changes at the company that was founded in 2005 by his father--overhauling the technology for capturing biometrics like fingerprints and iris scans; reducing the processing time for documents; and revamping the website and call centers. He roped in employees from different nationalities to bid for projects in new geographies.

In the four years since Aggarwal joined, BLS has nearly doubled revenues to \$122 million and broadened its reach to operate in 62 countries. In addition to India, it now works with 36 other client governments. Profits at the company--which debuted on *Forbes Asia's* Best Under A Billion list this year--have jumped more than fourfold to \$15 million from fiscal 2014 to fiscal 2018.

"We are a lean, fast-growing and cost-efficient company that's hungry for new business," he says. Mumbai research firm HDFC Securities projects a 15% compounded growth rate for revenues and 21% for profits over the next two years. (The firm is a lender to BLS.) Aggarwal, now 27, is looking beyond the niche visa-processing industry by offering government services ranging from issuance of birth, death or marriage certificates to providing citizen, identity and voter cards.

He's also providing conveniences like mobile biometric services targeted at wealthy individuals, the aged or the physically challenged. Applicants don't have to travel to a visa center and waste an entire day standing in queues. The visa service comes to them--at an extra cost. This is targeted at large groups of employees, students, sports players and performance groups. "We want to be the world's biggest player in the visa-outsourcing industry" says Aggarwal.

That's an ambitious target: The sector leader is Dubai's VFS Global--part of Swedish private equity group EQT. With a presence in 139 countries, VFS had half the market and revenues of \$459 million in 2017. But BLS has scored significantly in recent months. In May it reported a \$140 million contract from the U.K. government, under which it'll be supporting a French firm to enable visa renewals. And in December 2016 it won a \$200 million, five-year contract from the Spanish government for setting up visa processing centers across the world. "They need to have regular wins like this to keep the momentum going," says Ankit Kedia, research analyst at Mumbai's Centrum Broking. "But they also have the challenge of maintaining the cost structure while maintaining the quality."

BLS has to contend with financial risks too because of the heavy dependence on fickle governments. For instance, its \$220 million, five-year e-governance contract in 2016 with the northern Indian state of Punjab was canceled in 2018 because of financial stress for the government and the lower-than-expected volume. No deficiency in service was reported for the termination.

The Punjab government floated a new tender, and BLS has won this contract, too. But it will operate with fewer centers, and the Punjab government still owes BLS \$31 million on the earlier deal. (The company expects to be paid this fiscal year.) A plus is that the state will now provide the computer gear as well as the premises for providing the services. "We are positive on the new contract," says Amit Chandra, research analyst at HDFC Securities. "In this model they'll collect money directly from the citizens and give the government its cut. The new model is better, asset-light in nature and similar to the visa model."

Aggarwal has teams in Europe, the Middle East and Asia scouting for new work. "Sometimes the tender floated by a foreign government will be a small ad in a local newspaper in the regional language," says Aggarwal, who has traveled to 25 countries in the last three years to meet with diplomats and work with consulates.

BLS is prequalified for several upcoming global tenders and will be bidding extensively. It regularly hosts client governments to show its processing centers. "Clients can look at what's happening in real time in our centers," Aggarwal says. "They can do mystery audits. We send them a list of customer complaints and show them how we tackle them."

As it expands, BLS is focused on China as a key market. "Outsourcing hasn't happened much in China, but it is a huge travel market," says Aggarwal, who's building a team there. The company has 18 Chinese offices--3 for Indian visas and the rest for Spain.

BLS' growth is expected to be supported by the spurt in global travel as well as the rising trend of visa outsourcing by governments. Globally only a third of the visa work is currently outsourced. This is projected to grow as governments offload more of the nonjudgmental processing.

BLS is now among the top five international players, competing not only with VFS Global but also France's TLScontact, CSC of the U.S. and China's Bank of China. VFS Global pioneered the industry in 2001--in India, where it got its first contract from the U.S. government.

It was BLS founder Diwakar Aggarwal's experience with endless lines when going for his own visas that got him into the business, signing the Portuguese embassy as his first client. The privately held BLS Group, now at \$1.2 billion in revenues, is mostly in education and polymer manufacturing. It's run by Diwakar and his three older brothers, all of whom live in the same Delhi bungalow along with their families, straddling three generations.



BLS processed 10,000 visa applications in 2005. That's surged to 11 million visas and citizen service applications in fiscal 2018. Shikhar Aggarwal believes agility is the key. For instance, in Moscow the company had to expand its Spanish service center from 12,000 square feet to 20,000 square feet because volumes surged on new popularity for holidays and it started handling 500,000 applications a year. Meanwhile, in Yemen, it had to shut down a center when war broke out in 2015. "We are very flexible," says Aggarwal. "In this business, requirements keep changing, and we are willing to change based on what the client wants."

But it's a people-heavy business. BLS employs nearly 9,000 people across the globe to handle the operations. The employees in each location collect, process and dispatch documents. There's a lot of training and retraining that's required to keep them updated on the latest law changes.

BLS also has to tweak its services to suit different cultures--providing separate counters for women for biometric recording in Saudi Arabia, offering more premium lounges in the Middle East or assisting with filling forms when there's a language barrier.

Aggarwal recognizes the stiff and sophisticated global competition. He's setting up an accelerator division to acquire startups with new technologies to help in visa processing and e-governance.

"We are the underdogs," he accedes. "We want to be the underdogs until we become a \$10 billion company."

This story appears in the September 2018 issue of Forbes Asia. [Subscribe to Forbes Asia](#)