



“BLS International Services Limited Q4 FY2022  
Earnings Conference Call”

May 10, 2022



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**Moderator:** Ladies and gentleman, good day and welcome to the Q4 FY2022 Earnings Conference Call of BLS International Services Limited (“BLS International”). 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 call, please signal an operator by pressing ‘\*’ then ‘0’ on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Parth Hemani. Thank you and over to you, Mr. Parth.

**Parth Hemani:** Thank you. Good afternoon, everyone. This is Parth Hemani from Pareto Capital, we represent investor relations for BLS International. On behalf of the company, I welcome you all to our Q4 & Full Year Ended FY22 Earnings conference call. I have with me from the management, Mr. Nikhil Gupta - Managing Director, Mr. Shikhar Aggarwal – Joint Managing Director, and Mr. Amit Sudhakar – Chief Financial Officer of the Company. We will have brief opening remarks from the management followed by the Q&A session.

Please note that certain statements made during this call may be forward-looking in nature, such forward-looking statements are subject to certain risks and uncertainties that could cause our actual results or projections to defer materially from those statements. BLS International will not be in anyway responsible for any action taken based on such statements and undertakes no obligation to publicly appear these forward-looking statements to reflect subsequent events or circumstances. I would now like to handover the call to Mr. Shikhar Aggarwal for his opening remarks. Thank you and over to you, Sir.

**Shikhar Aggarwal:** Thank you Parth. Good afternoon, everyone. I welcome you all to our earnings conference call of Q4 & Full Year FY22. I am very glad with the outstanding performance the team has delivered this year, and our numbers - definitely surpassing the pre-Covid levels in terms of revenue. With the reopening of borders across geographies and increase in business and leisure travel, we are seeing sustained growth month-on-month, which has resulted in revenues of 850 Crores for FY22.

During the quarter, we reported a revenue of Rs.254 Crores, which is up 75% year-on-year largely driven by organic growth and strong rebound in our core business of visa, passport and counselor services. According to a recent report by world travel and tourism council, a massive increase in global international inbound travel is expected with a busy summer ahead for key destinations across Asia Pacific, Europe and America, although there was a short disruption caused by Omicron variant in January 2022.

We are very optimistic about our growth prospects and are confident that we can take the company on a new trajectory in the coming quarters. In visa and consular business, our growth would come from multiple fronts, new clients, new geographies and enhanced services to the existing clients. A lot of focus is also on additional services, which help us in utilizing our network and infrastructure thus enhancing efficiency and margins.

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With respect to the National Business Correspondent - Starfin Business, we have currently empanelled with five banks (State Bank of India, Bank of Baroda, Punjab National Bank, Central Bank of India, and Uttarakhand Gramin Bank) and our short to medium-term goal is to tie-up with more banks and become one of the largest players in the field. There are a lot of tenders that are coming out and we are eligible to bid for all of them and strengthening our portfolio.

In our citizen services business, after the Covid effect, we are now successfully building executional capabilities through our projects in Punjab, UP and Rajasthan. Here our growth would come from more such contracts in other states of India as well as international markets. We have already established international experience through our contracts in UAE, Estonia and Afghanistan. We are further targeting missions and embassies that already we have good relationships and are growing businesses with them.

As you know, we have put in a lot of effort over the last few years to strengthen our balance sheet, our receivables have come down drastically to 22 Crores which is a significant decrease, our net cash position is 400+ Crores, plus as a way of giving dividend back to our shareholders, we have decided for a bonus and an interim and final dividend that we declared.

Lastly, I would like to conclude by saying that all our businesses are now generating profit and going forward we will continue to focus on contracts where we do upfront collection from our customers and are not dependent on money from the governments. We believe that digitization will be the mantra in the post-Covid world and are exploring opportunities for inorganic growth, which will give us the next leg of growth.

This is all from my side. I now hand over the call to Amit Sudhakar, our Chief Financial Officer for further update on financial performance. Thank you.

**Amit Sudhakar:**

Good afternoon, everyone. Let me brief you on the financial performance for the fourth quarter and full year ended of the financial year FY21-22. During the quarter, we reported a revenue of 254 Crores a healthy increase of 75.5% Y-o-Y and 11.8% Q-o-Q, mainly driven by bounce back of visa and consular business and our performance in the citizen service businesses.

We are seeing good momentum in all our businesses and are optimistic of sustained growth in the coming quarters. EBITDA for the quarter stood at 35 Crores compared to 10.1 Crores in the corresponding quarter last year and 25.6 Crores for Q3 FY22. The EBITDA margin for the quarters stood at 13.8%, which was 680 basis points higher compared to the corresponding quarter last year and 250 basis point jump when compared with the previous quarter of Q3 FY22. This is reflection of the fact that our operations have stabilized.

PAT stood at 35.2 Crores in Q4 FY22 as compared to 28.3 Crores in the previous quarter and 23 Crores in Q4 FY21. PAT margin for Q4 FY22 stood at 13.9% compared to 12.5% a jump of 140 basis points compared to the previous quarter of Q3 FY22.

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For full year ended March 31, 2022, we reported a revenue of 849.9 Crores as compared to 478.4 Crores for the same period last year; a healthy increase of 78%. EBITDA for FY22 was 106.9 Crores while it was 39.8 Crores for FY21. EBITDA margins have increased to 12.6% a jump of 430 basis points from FY21. PAT for FY22 was 111.2 Crores when compared to FY21 it was 20.3 Crores. PAT margin for FY22 was reported at 13.1% compared to 10.5% in FY21. Please note the company has surpassed its pre-Covid level of profitability, which was 105 Crores in FY19.

The net cash bank and equivalent balance stood at over 400 Crores as on March 31, 2022. In line with our focus on rewarding shareholders, we are implementing a bonus issue of 1:1 that is one bonus equity share of each for one fully paid equity share held. Board has considered, and recommended a final dividend of 25 paise per share post bonus aggregating to 5.12 Crores. This together with the interim dividend of Re.1 per share will aggregate to 15.4 Crores of dividend payout for FY22

This is all from my side. I would now request the moderator to open the call for Q&A. Thank you.

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

**Ravi Naredi:** Thank you very much BLS International, indeed it is a very fantastic result, and so many congratulations all of you for this hard work. Sir, where we are planning to reinvest the 400 Crores, which we are having? Are we looking for organic or inorganic growth? Secondly, is such enhanced margin and growth possible to sustain in the current year, if you give some colour it would be helpful for us.

**Shikhar Aggarwal:** I will take this, Shikhar this side and Amit you can add on. As you know, this money that we have got 400 Crores upwards of cash, so this is a result of 10-15 years of hard work of the company and has generated this cash and last year has been the biggest in terms of profitability and revenue for the company in spite of only 60% of the visa application count. As a way of rewarding shareholders, we have already announced issue of bonus shares, dividend both interim plus final have been the highest in the history of the company. We are looking at inorganic growth opportunities both in the visa outsourcing & citizen service space, banking correspondent space, and we have started due diligence on some companies. Also, important point to note is that in the next two years, we are already working on a lot of bigger contracts wherein money will be required to be deployed, so that is the reasoning that what we will do with the money. Amit you can please answer about the margins and what we are doing currently with the fixed deposition and all.

**Amit Sudhakar:** As Shikhar said, we are working on these new contracts, which are going to be of a big size which will require initial investment in the capex and establishing different centers globally.

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Over and above what we are trying to work on inorganic growth, wherein we have shortlisted companies in our field and are in a very advanced stage of discussions with them, so hopefully in the current financial year you will hear a few good news as we are able to close those. These are the areas where we are looking at using the surplus cash that we have on the books.

**Ravi Naredi:** Yes, thank you very much. I am a shareholder of this company for the past five years and attended few AGMs also, really I know you are doing very hard work. Thank you very much.

**Moderator:** Thank you. The next question is from the line of Nitin Padmanabhan from Investec. Please go ahead. As there is no response from the participant, we will move to the next question which is from the line of Aditya, an individual investor. Please go ahead.

**Aditya:** Sir, first of all congratulations on the good set of numbers. I had a couple of questions. On the gross margin front, as I can see that we have been around 32% to 33% during the year, so going forward is this margin sustainable or will be around 29% to 30% what is your take on this?

**Amit Sudhakar:** The gross margin of 32% to 33% is what we are able to do achieve because of the improvement in our efficiency, cost efficiency as well as rationalization of some costs. Going forward, we are very optimistic that we will be able to maintain this and hopefully by year end we may improve it by another 100 to 200 basis points, so that is our internal target. We will be able to achieve, once the economy of scale kicks in, that is with the volumes going up, which we anticipate with the global unlocking of travel, which will help us in achieving improvement on the margin.

**Aditya:** Do you foresee this? I guess in the last call you had mentioned about a 50% capacity that you are working on, so based on the improvement on that level, we see that going up the gross margins.

**Amit Sudhakar:** That is right, that is what we said last time it was about 50% now, we are at around 60% and hopefully as it goes up the gross margin will also be up.

**Aditya:** What is the target this year, will it be at around 70%, 80% or more than that?

**Amit Sudhakar:** We think that in the next couple of quarters we should reach at 80% to 90% of the turnover volumes in the visa business.

**Aditya:** On the balance sheet side, we see an investment of around 70 odd Crores. Can you just help us understand the breakup of that?

**Amit Sudhakar:** In our balance sheet if you see, the 70 Crores is basically the incremental investment of which 46 Crores have been in the new bonds which we have invested in Blue-Chip Indian companies the dollar bonds, which are in Tata Motors, Tata Steel and JSW and Power Finance Corporation just to improve our yield on our interest income, so these are the incremental investments that we have done during the year.

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- Aditya:** What is the yield amount will be expecting out of this?
- Amit Sudhakar:** The yields?
- Aditya:** Yes.
- Amit Sudhakar:** On these bonds, the yield was about 3.5%.
- Aditya:** This amount, do we plan to further invest any more amount as we have cash available with us or is it the maximum threshold?
- Amit Sudhakar:** We are trying to do that; we will be working out right proportions, which we should keep in bonds versus the fixed deposits, to ensure that we have a decent amount of return on our treasury.
- Aditya:** Thank you sir, all the best. If I have any more questions, I will join back in the queue.
- Moderator:** Thank you. The next question is from the line of Nitin Padmanabhan from Investec. Please go ahead.
- Nitin Padmanabhan:** Hi! Good afternoon. Couple of questions actually; one is if you could give some color on, you did mention that the recovery visa is around 60% versus 50% last quarter, but you also won a couple of contracts over the last year and so on and so forth. Could you give us some sense in terms of all the new contracts - have they really started in terms of flowing through into revenue and this recovery is obviously for the old contracts, but for the new ones have they started growing into revenue.
- Shikhar Aggarwal:** See as we discussed in the last year only 50% of the visa count had come back if we talk about 2019 level and BLS had achieved a revenue, which is highest in the history of the company even on the 50% visa account because of increase in margins and decrease in cost. So right now, the numbers have increased from 50% to 60%. Majority of the contracts that we won in the last few years for example Brazil Government in China or the Portuguese Government in Russia or the Italian Government in Russia unfortunately are in territories, which are still kind of closed down. If we talk about Russia, the numbers are not increased because of the geopolitical scenario in that region and if you talk about China, the country is still semi-closed so majority of the contracts that we won were typically these have been the biggest markets in terms of visa outsourcing numbers globally Russia and China. These two markets are still kind of closed. All the contracts that we won the revenue has still not started to flow in. That is why we expect a good boost in revenues as soon as these countries open up from our existing contracts as well as the new contract that we had won in the last two years.
- Nitin Padmanabhan:** When we look at this delta on revenue, which is this year is around 850 Crores and FY19 was around 800 Crores what explains that delta because if visa is down, is it primarily G2C or how should we think about it?

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**Shikhar Aggarwal:** Correct so the delta, the primary reason is there has been a increase in count of visa consular services, some services account has increased whereas visa has dropped and plus the revenue per application has increased we have got increase in service charges in certain contracts plus there is a change in the mindset of people, people have started buying a lot of extra services like mobile biometric or premium services that definitely gives us a higher revenue per application and higher margin also, so this is the primary reason why the revenue has increased.

**Nitin Padmanabhan:** Sure, that is helpful. Just two quick questions as well. One is you alluded to the D2C opportunities in other states and possibly other countries as well. Anything that you could highlight that are standouts at this moment and are there business models in those contracts similar to what you have currently that was one question. Second one was on the Capex. Capex looks slightly higher than what it was historically just broad thoughts there as well. How should we think about the absolute Capex number on a going-forward basis?

**Shikhar Aggarwal:** Correct. I will take the first question up Nitin. As you know conventionally, BLS generates 85%-90% of its revenue from the visa & consular business and the remaining 10%-15% has been from e-governance and the G2C business. As we started contract with the Punjab government couple of years back, it has performed very well for us we are getting a good profit, although the revenue is around 60 to 70 Crores a year, so we expected to implement the same things in UP and Rajasthan but the model is very different, but we do not want to risk any collection of money from the public from the government directly, so that is why all these models are collection of money from the citizens. As you know, we also started our visa outsourcing business on the behalf of the Indian Government as we grew, we first got the Indian Government contracts and then we eventually started working with the foreign governments, so that was the main objective. We also want to grow with the citizen services in India and then take it global. As a matter of fact, we have already start working for Estonia, UAE, Afghanistan on the basis of that, so that was the reason for starting this citizen service business and we expect definitely not the same amount of margin like visa consular business, but the numbers are very high in citizen service business, so that was the reasoning and going forward we feel the ratio would be maintained because of the growth opportunities of \$1.5-\$2 billion worth of contracts in visa outsourcing and a lot of opportunities in citizen service. We will maintain the ratio and visa outsourcing will always be at 85% to 90% of our gross revenue. Regarding the second question, Amit can you please answer then I can add on.

**Amit Sudhakar:** As related to the norm, we mentioned in the previous quarterly calls also our normal Capex ranges about Rs. 7-12 Crores a year unless there is a big project that comes in and then there is an additional Capex. On the running contracts normally, it remains around Rs. 10 Crores or so, but this year because of the Covid and we have changed our offices and realigned our expenses, so there was a higher Capex in that contract as well as we have spent a major portion in the current year on improving our IT-enabled systems and platforms. On that we have spent during the year about Rs. 15 Crores or so, which another 5-6 Crores will get further take and then the setup of IT-enabled system will get in place.

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- Nitin Padmanabhan:** On a going-forward basis it should be around the historical run rates roughly.
- Amit Sudhakar:** That is right, 10-12 Crores, but any new projects will require an addition funds, depending on the size of the project.
- Nitin Padmanabhan:** Perfect thank you so much and all the best.
- Moderator:** Thank you. The next question is from the line of Rahul B an individual investor. Please go ahead.
- Rahul B:** Thanks for the opportunity, Sir and the congratulations on a very good set of numbers. My first question is actually on StarFin. I just wanted to understand more on how is the subsidiary doing? What are your growth plans and how do you see the subsidiary going ahead, any kind of opportunity that you can throw light on in this space?
- Shikhar Aggarwal:** Sorry, can you please repeat this question?
- Rahul B:** Yes, the question is on the subsidiary Starfin, I just wanted to understand what are the growth plans for this subsidiary and any kind of opportunities that you can throw light on.
- Shikhar Aggarwal:** As you know couple of years back, we bought a company called StarFin, which was a banking correspondent for State Bank of India, so essentially our model as a company has been to collect money from the citizens. On the same model as RBI has a policy of opening bank branches in tier two, tier three cities, which banks are not opening themselves and hence this model of banking correspondent. This is a wonderful model where we get annuity income and fixed transactions banks, SBI gives us commission on every transaction after we won that contract, we also additionally won four new contracts with other banks which were Central Bank of India, Punjab National Bank and couple of other banks. Our reach has grown to 5000 branches within India and I think going forward this is a very good model in which bank is increasingly pushing to open more bank correspondent points across India where there is no upfront major investment from the company point of view and there is only opex expenses and for every transaction we get a revenue so this is the model. Amit, do you want to add anything on that?
- Amit Sudhakar:** As you said, we are very positive about this sector and as a vertical we want to grow this. We are looking at expansion as Shikhar said we are looking at new tenders where we can enhance the size of the business. On the other hand, we are also looking at inorganic growth where we are looking at good companies and business where we can add to the existing network by adding more customer service points (CSPs) we call them in the system, so we are seriously looking at both the options for growth in this area.
- Rahul B:** To add on to that, what you just mentioned anything that is in the plans for inorganic expansions, anything that we are close to or any light that you can share on that?

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**Shikhar Aggarwal:** Just to give you a background, we have three verticals one is our visa consular, one is e-governance, and the third is a banking correspondence, so we are seriously looking at all the three verticals and expanding their size and here also we are looking at couple of companies again nothing has finalized, therefore, we cannot talk about it, but we are looking at all the possibilities.

**Rahul B:** Fair enough. Thank you. I was just going through your financials historically especially, I just wanted to get some sense from you like I understand currently I am sure we are confident enough to say that the worst times of Covid are behind us and I think we are well into the pre-Covid times on the revenue front, but just wanted to understand also on the margin front we have done previously also something close to 20% is that something that is achievable again in the future and your thoughts on that?

**Shikhar Aggarwal:** Around that 20% we did, we had a Punjab contract wherein it was an annuity-based business and those margins may not be practically workable, but we are looking at a 100-200 basis point improvement over the last year on our margins going forward. Again, it will be subject to the reopening of all the global travel business and economic scales will be able to give us that higher margins because we have rationalized our costs during this Covid period. We do not see the costs rising on the same basis as the revenues will move forward quarter-to-quarter going forward.

**Rahul B:** These cost rationalizations that you have taken probably in the last two years or so would not be reversed going ahead or is it like of course there will be some cost that now with re-openings and even with this with everything opening up once these costs again come back into play.

**Shikhar Aggarwal:** Yes, they will but what has happened I would say the positive side of Covid is that we relooked at all the costs that we had and we have realigned that coming back to that pre-Covid level, we may not have the same cost which we were incurring earlier. So that is something which we have done. We have rationalized it and these rentals have rationalized, the HR we have looked at people where we have rationalized that, that we can do higher volumes with less people and the rentals and others have been renegotiated, so those benefits will come once the volumes come back.

**Rahul B:** You said something like 15%, do you think is sustainable in operating margins?

**Shikhar Aggarwal:** That is right, once the volumes come in.

**Rahul B:** All right Sir, I will just join the queue. Thank you so much.

**Moderator:** Thank you. The next question is from the line of Sumit from Arth Capital. Please go ahead.

**Sumit:** Hi! Good afternoon, congratulations on a good set of numbers. I have two questions; the first one is around your Dubai operation, I believe bulk of the profits are generated in Dubai, so can you tell us a little bit about the kind of setup you have in Dubai in terms of number of people and

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some of the contracts that you have there both on the sales side and also on the cost front what kind of contracts or if you are outsourcing some of your costs to other vendors.

**Shikhar Aggarwal:** First of all, to correct you bulk of our revenue is not generated in Dubai.

**Sumit:** I meant profits.

**Shikhar Aggarwal:** As you know, when we started the company, BLS International started 100% of the revenue generated was abroad because of the Indian embassy outsource contracts as we also started with different embassies, we also started within the embassy in UAE and right now we are working for a couple of governments the Spanish, the UAE government and the Indian embassy in UAE. On top of that, we have stepped down subsidiaries all around the world where we are actually doing the work be it in Russia or Canada or UK. Money whatever is generated over there and profit is generated consolidated in UAE since this is the holding company of the ultimate parent company, which is in India, but the bulk of the money is not generated here we are generating money through our contracts all across the world.

**Sumit:** No, I just want to understand, what I understand is that you have operations in Dubai, which bill your operations say in Russia or Spain or wherever they are for services that you are providing from Dubai and that is what I want clarity on what kind of services are you providing from Dubai and what kind of manpower you have what kind of services are you providing, so I need clarification on that.

**Shikhar Aggarwal:** We have back-office support, call center support, technical team, which sits out of here to support all our operations globally.

**Sumit:** How many people do we have in Dubai?

**Shikhar Aggarwal:** Amit would you have a number on that.

**Amit Sudhakar:** I do not have this figure in front of me, but I can come back to you on that.

**Sumit:** No, why I am raising this question is that because Dubai is now getting fairly strict in terms of creating enough substance in Dubai or UAE, in case you are billing from UAE and that is why a lot of companies are now either creating enough substance in Dubai, so wanted to understand what is the approach that you are following

**Amit Sudhakar:** Our business model, the Dubai company provides all the logistics as well as technical support to the global subsidiaries, for example the IT setup is all being managed from Dubai and the operations are being handled at all the respected countries, so what happens that whatever volume of business they do they bill them for the technical support on their revenues and therefore the money is then moved from there as a technical support and other logistics supports

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the funds comes to Dubai from there and they are billed there, so it is basically a complete support function.

**Sumit:** How many people do you employ in Dubai.

**Amit Sudhakar:** I will check of that it will be in the range of about 200 to 250, but exact number I do not have at the moment in front of me.

**Sumit:** The next question, let us assume that FY23 and then going on to FY24, Covid is behind us and we should see normalized operation, so what kind of revenue growth are you seeing given the current contracts that you have on hand for FY23 and FY24?

**Shikhar Aggarwal:** Where we are today, as you know last year numbers which we have achieved were the highest in the history of the companies and have been achieved at only 60% of the annual application count than we did in 2019, so as the number grows, we expect the number to grow going forward from our organic business where we are currently running contracts, we expect growth to come with those increase in application counts when exactly those increasing accounts come we do not know, but we are focusing on increasing revenue per application. Inorganically, we are looking at a lot of other contracts that we are getting currently after the Covid cycle two year everything was stopped, a lot of governments have started working and we are in different processes at different stages with different governments. So once that comes in, I think our revenue should grow further, so I think next year definitely we will see a further increase then whatever we have achieved this last year and that is become the base for the company now. There should be a further increase, I do not know exact percentage we are sitting in May right now but there will be a definite increase both in 2023 and 2024.

**Sumit:** Sir you mentioned that visa services you are still at 60% of pre-Covid levels and we expect it to go to 80% in the current year, so should we assume that you will see a 30% growth in your visa services business in FY2023?

**Shikhar Aggarwal:** I cannot give exact percentage because we do not know this 80% comes in because we are assuming a lot of countries like Russia and China which have been closed.; things improved there and the numbers start coming from there, so lot of it depends on that, but if that happens definitely, we will see the numbers that we are discussing right now.

**Sumit:** All right, thank you very much.

**Moderator:** Thank you. The next question is from the line of Akhil Hazari from Robo Capital. Please go ahead.

**Akhil Hazari:** Good afternoon. Most of my questions have been answered. I just wanted to know regarding other expenses this quarter. In the last conference call, it was mentioned that there was a one-time 6 Crores that had been put into other expenses and that is why it was so high, but this quarter

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itself also other expenses has been quite high like it is reduced, but not by much so I just want to know what is the reason behind this high other expenses currently.

**Amit Sudhakar:** I will have to come back to you on the breakup and if you can send me a mailer, I will give you a breakup of this.

**Akhil Hazari:** Okay fine no problem. Thank you, that is it from my side.

**Moderator:** Thank you. The next question is from the line of Ravi Naredi from Naredi Investments. Please go ahead.

**Ravi Naredi:** Our receivables from the Punjab contract have come after a long time so how we change working with the UP and Rajasthan governments or Punjab government currently.

**Shikhar Aggarwal:** Sorry, I could not hear the first part of the question. Can you please repeat?

**Ravi Naredi:** Our funds were stuck with the Punjab government, is it correct in the past, so how do we manage our operations this time with Rajasthan and UP, so that our funds not blocked there?

**Shikhar Aggarwal:** As a company, we decided that we are not going into any contract wherein receivable is due from the government, so all the work that we are doing by the way in UP or Rajasthan is also upfront collection of money from citizens, so no fund will be stuck with the government.

**Ravi Naredi:** Anything we are doing with Punjab also?

**Shikhar Aggarwal:** Punjab we were already got a new contract last three, four years back and wherein we are collecting upfront money from the citizens and it is a change in the contract that we did four years back and this is what is happening.

**Ravi Naredi:** Okay are we aggressive in Indian states or in visa service?

**Shikhar Aggarwal:** We are more aggressive in visa services as you know it is 85% to 90% of our revenue globally, so definitely we are more aggressive, but we are open. We are looking at opportunities for citizen services globally that was the aim of starting citizen services in India also to gain experience and volumes as we did with the even the visa business we started with Indian government same model we are adopting here.

**Ravi Naredi:** The similar work of Punjab, Rajasthan, are any other states in our list where we may start any work?

**Shikhar Aggarwal:** We are talking to a couple of states, but when the model is similar to what we are doing in all these three sets only then we will go ahead and bid, so currently we are discussing with a couple of states on the model.

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- Ravi Naredi:** Thank you very much all the best.
- Moderator:** Thank you. As there are no further questions, I would now like to hand the conference over to the management for closing comments.
- Shikhar Aggarwal:** Thank you everyone for joining the conference call of BLS International. We did our very best to achieve these results this year and this is what we expect to do better next year, this current financial year. Thank you so much.
- Moderator:** Thank you. On behalf of BLS International Services Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.

**DISCLAIMER:**

The following is the output of transcribing from an audio recording. Although the transcription is largely accurate, in some cases it is incomplete or inaccurate due to inaudible passages or transcription errors.