Operator: Hello everyone, good afternoon. This is the second day of the Bharat Connect Conference. I welcome you all to the call of BLS International Services Ltd. Today, from management, we have Mr. Amit Sudhakar, CFO. Before I hand over the call to management, I will outline the flow of the event. First, we will start with brief introductory remarks by management, followed by a Q&A session. Over to you, sir.

Amit Sudhakar – CFO: Thank you, Dipali, and good afternoon, everyone. I will take you through a brief presentation to give you a macro view of what BLS International does and how the numbers look through Q1 FY27, after which we can open the Q&A session.

These are the 3 categories I will quickly take you through. First, to start with, what is BLS? If you look at what BLS is today, it is basically a technology-enabled global travel and mobility service provider for governments and citizens. That is a one-line description of BLS. We are a technology-enabled service provider with software and a technology platform, through which we provide services to citizens as well as meet government requirements.

The company operates under 2 business segments. One is Visa and Consular Services, and we are among the top 2 players globally in visa, passport, consular, and citizen services. The other is Digital Services. This business is housed under BLS E-Service Limited, a publicly listed company and a subsidiary in which BLS International holds over 51%.

BLS is positioned at the intersection of the government, traveler, citizen, and regulated digital workflow through its comprehensive service technology. We have been in this business for the last 20 years. We now have a presence in more than 100 countries, where we provide services. We have contracts with 46 client governments and have processed more than 490 million applications through FY26.

Looking at a snapshot of the financial numbers for FY26, consolidated revenue was about 3,000 crores, representing a CAGR of 37% from FY22 to FY26. EBITDA was 819 crores, representing growth of 66%, and the EBITDA margin in the business was 27%. PAT was 724 crores, representing CAGR growth of 60%.

Within this, the visa business constituted about 65% of revenue and about 90% of EBITDA. Revenue from the visa business was 1,840 crores, representing CAGR growth of 25%. EBITDA was 738 crores, representing CAGR growth of 61%. The EBITDA margin in the visa and consular business is about 40%, versus about 15% in FY22, immediately after COVID.

We monitor our net revenue per application, which is what we earn net from an applicant. It has been about 3,300 rupees per application.

What are the unique value propositions of BLS International? I would say there are 6 major unique value propositions for BLS.

First and foremost is the exclusivity of the contracts. What I mean is that once we win these contracts, we become the exclusive service provider. For example, in India, we provide Spain visa services. Even if you go to the Spanish embassy, they will not entertain you; you will have to come

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to our centers to apply and process your application.

Second, these are long-term contracts. There is visibility for a period of 5 to 10 years. They are all long-term contracts, which provides visibility over the long term.

All these contracts operate under an asset-light business model. What I mean by that is that we do not acquire real estate; we take centers across the globe on lease. We furnish the offices and make minimal initial investments to start processing the applications.

It is a technology-enabled platform. We perform biometric services, use AI, and provide chatbot services through the platform, and it is a robust platform. We are able to add more entities, countries, and contracts globally by innovating on our existing platform.

M&A has been a strong area for us. We have completed M&A transactions involving more than 6 companies over the last 3 years, and they have all been integrated with our existing business quite smoothly.

All these businesses have negative working capital. What I mean is that we collect the fee in advance, upfront, and then provide the services. Hence, receivables are practically zero.

The balance sheet is strong because of the high-EBITDA business and negative working capital. We have a decent amount of cash on our balance sheet. As of June 30, it is about {? 1,617 ?}, or over 1,600 crores, of cash on the balance sheet. In FY26, we generated about 900 crores of cash from operations. Return on equity has been around 30%.

Redeployment of the excess cash into M&A and new businesses is ensuring that we are able to maintain the growth path on which we are currently working.

To give you a snapshot of the types of services we provide, the core business consists of visa processing, document verification, biometric services, and e-visas. These are all non-judgmental services that we provide to embassies globally.

We then add certain value-added services, such as premium lounges, courier services, internet facilities, form-filling assistance, and insurance. Some people need mobile biometric services, which means going to their homes and completing the entire process rather than having them come to our offices. We provide all these services, which we call value-added services.

In the consular business, we provide services such as passport renewal, authentication of travel documents, legalization of documents, and notarization services. Certain countries require notarization of documents by embassies, and we provide all those services as part of our consular services.

The new division we have added is the migration pathway, which we call citizenship by investment. We acquired a company in Dubai 2 years ago that specializes in programs tied up with more than 15 countries, for which it provides citizenship and residency. This is also sometimes called a golden visa, which is mainly based on the investment made by the person in those respective countries.

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The last business, which is very small, is an experiment involving a hotel in the UK, where we have started providing hotel services.

We started in 2005 with our first contract with the Portuguese embassy in New Delhi, and now we are among the top 2 global visa and consular service players. As I mentioned, we have about 17% of the market share today. From a market-volume perspective, we are handling about 10% of the volume.

Revenue CAGR growth is 25%, as I mentioned, and EBITDA growth is around 60%. The growth in the number of applications over the last 4 years has been about 31% CAGR.

Our work is entirely non-judgmental. We administer the non-judgmental tasks involved in managing the embassy's requirements by ensuring that the traveler provides all the information required by the embassy. We digitize that data, check its accuracy, and then provide the information to the embassy to take a final decision.

Embassies are able to process more applications every day because they do not need to compile the data. They only have to review it and take a final decision on whether to accept or reject the application. This is the entire transaction and service that we provide to the traveler who wants to travel to those respective countries.

The growth drivers for our business have been that we have been aggressively bidding for new contracts everywhere in the world.

Management: We are increasing our share in the outsourcing market. We are expanding our service offerings and continuously adding new services that add value for the traveler.

For example, in a few countries and cities, we are providing services on an off-day. If people cannot come on a weekday, we provide services on a Saturday or Sunday, which is convenient for them to come and complete their applications.

We continue to add new value-added services that we believe travelers would be interested in taking. For example, we have added dollar cards. We have a counter where anyone interested in buying a dollar card can purchase one.

To provide customized solutions, we innovate on our IT platform so that we can provide services according to the requirements of the embassy and the customer. For example, we have added travel insurance to our IT platform, which is a mandatory requirement. If a traveler is applying through our platform and does not have an insurance policy, they can simply click there, and the insurance policy will also be provided along with the visa.

We are expanding aggressively geographically into different areas. South America has been a new frontier, where we have opened offices in more than 4 or 5 countries. Wherever we are able to provide services, we are ready to go there and open offices.

We have maintained strong relationships with governments over the years because they have started recognizing that there are good players available in the market who can provide these visa services.

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We are focusing on brand building. As part of our relationships with governments, we have recently had a former prime minister of Australia and a few other countries as brand ambassadors for the company, and they are meeting diplomats in different countries. The whole idea is to create a strong brand over the years.

Last but not least, we are aggressively looking at inorganic growth because the balance sheet is strong, and we see good opportunities globally as well as in India. We are gradually building and growing through inorganic growth as well.

Looking at the numbers, Q1 FY27 versus Q1 FY26, consolidated revenue was 891 crores, which was about 25% higher than last year. EBITDA was 252 crores, which was 24% higher than last year. PAT was 202 crores, which was about 11.5% higher than last year. PAT margin was around 22.6%, and EBITDA margin was around 28.3%.

Visa and consular services revenue was 560 crores, representing approximately 21-22% growth over last year. EBITDA was 226 crores, representing approximately 22% growth over last year. Net revenue per application improved to 3,521 rupees per application, which was about 11% higher than last year.

This is a snapshot of the last 4-5 years of growth in the overall business. Revenue from operations has grown at around 37% CAGR over the last 4 years. EBITDA growth has been around 66% CAGR, and margins have improved from 13% to around 27%.

PAT improvement has been about 60% CAGR over the last 4-5 years, and margins have improved from 13% to 24%.

Return on equity is now around 30%. This has taken a slight dip because of the M&A and the investment we made in the new acquisition in FY25. Hopefully, it will now start moving up again.

Net cash also took a dip because of the investment of around 1,200 crores that we made in FY25. It has started growing again from there.

Net worth is now around 2,500 crores. These are some broad numbers and a brief overview of the company. I would like to open the floor for questions and answers.

Operator: Thank you very much, sir. Any participant who would like to ask a question may raise their hand or put it in the chat box. The first question is from Apoorva. Please go ahead.

Apoorva: Thank you for the opportunity. I have a couple of questions. My first question is regarding the point you mentioned about Indians having to go to BLS rather than the embassy to obtain a Spain visa. If we have won this contract, does this mean that if, for example, a citizen of Nepal or Sri Lanka wants to go to Spain, they would also contact us? Or would we have to bid for a new contract for that?

Management: Yes, that is a good question. These government contracts broadly fall into 3 categories. They may come as a global contract. For example, if they issue a tender for a global contract, as happened in the case of Spain, we have to provide services across the globe. Anyone traveling to Spain would have to have their application processed by us.

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As you asked, if a person wants to travel from Bangladesh, Sri Lanka, Nepal, Dubai, or Singapore, we provide services in those respective countries and process the application on behalf of the Spanish embassy.

Apoorva: Understood. What are the other types of contracts that we have? One is a global contract.

Management: As I said, they broadly fall into 3 categories. The first is a global contract, for which I gave you the example of Spain.

The second is when they come with a cluster of countries together. They may combine 3 or 4 countries and issue a contract. Whoever wins it will provide exclusive services for those 3 or 4 countries.

The third category is when they come country by country, as in India. India and Italy, for example, would each issue a new tender. In that case, you provide exclusive services only for that particular country.

Apoorva: Understood. My next question is: from which area or segment do you see the company's growth coming?

Management: Our growth drivers, where we are pushing ourselves to the maximum, broadly fall into 3 categories.

The first is being aggressive in providing additional services to the traveler who is coming for a visa.

The second is aggressively bidding for new tenders. We are doing this in the visa business as well as in digital services. We do not know which contract will be finalized and when. As and when they are finalized, there is an immediate increase in the sales and profit of that particular segment over the next year.

The third is M&A. Whenever there is a new acquisition in one of the segments, you see an increase in the revenue of that segment.

If you ask me, all our businesses are equally important, and we are, frankly speaking, pushing all the businesses.

Apoorva: Understood. Our tax rate seems low. What could be the reason for this?

Management: It has been moving up. It used to be around 9%, and it has now gone up to, I believe, 12% or 13% as of the last quarter.

This has mainly been because of our organizational structure. In the visa business, we had a 100% subsidiary, and we still have a 100% subsidiary in Dubai. All the global business is conducted from Dubai through step-down subsidiaries in the respective countries. All the profit is transferred from those respective countries to Dubai.

Earlier, Dubai was tax-free, but from last year, it introduced a 9% tax. Therefore, our tax rates are going up. My expectation is that by next year or so, it will become 12% in Dubai, and ultimately, under the global Pillar 3 norms, they will all come to around 15%.

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Apoorva: Understood. My second-last question is: what could be the growth rate for financial year 2027-28, and what could be the sustainable margins?

Management: If I look at the sustainable margin from the existing business, excluding any new tender being finalized or any M&A activity taking place in the current year, we will maintain momentum of around 20% revenue growth and approximately 20-25% growth in EBITDA.

Apoorva: Understood. What is the impact of the ongoing Iran war on us?

Management: The Iran war had a minor impact on our Middle East volumes. However, we have been able to compensate for this with higher volumes in other places and countries.

As you saw in our Q1 results, we were still able to achieve growth of approximately 15-20% in the first quarter. We will see how the current quarter develops, but I am giving you a broad picture: the impact is being offset by higher volumes in other regions.

Apoorva: Understood. Just one clarification: you mentioned that our margins could see 22-25% incremental growth over the current margins, or—

Management: Growth, growth—20-25% growth.

Apoorva: Over our existing 28.5% margin?

Management: Looking at last year's year-on-year performance, we should target achieving at least that level in the current year.

Apoorva: Understood. Thank you.

Management: Thank you.

Operator: Thank you very much, sir. We have the next question from Imran. Please go ahead.

Imran: Thank you for the opportunity. Could you talk about customer concentration, geographic concentration, and, finally, source-market concentration in the business, especially in the visa and consular business?

Management: If you look at applications and revenue from a client perspective, the top 6 or 7 countries would be Spain, Germany, Italy, the USA, and Slovakia. The European countries are mostly the markets to which we have the greatest exposure.

Imran: Could the top country account for approximately 20%?

Management: Spain would be around 20%, in the 18-20% range. The others would be lower. Germany would be the next largest, followed by Italy and the US.

Imran: What about the sourcing mix? How does it look from a country perspective?

Management: From a sourcing perspective, Algeria would be large, Morocco would be large, Dubai would be large, and Canada is also quite large.

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Imran: Can we assume that the top country accounts for around 20% as well?

Management: No, it would not be 20%. No country would account for more than 12–15% at most. It would be less than 15%.

Imran: Understood. That is very helpful. My second question is about pricing. Since you charge the customer or consumer on the visa side, I was curious about how pricing works here. How do you decide the prices? Are they decided by the country, or do you decide them? How does it work?

Management: The pricing model is very much dependent on the country for which you are bidding and on the tender that has been issued.

To give you a broad picture, if you look at Europe, America, Canada, and other countries, whenever they issue a tender, they assign a weighting to the technical bid, which is around 75%, and a 25% weighting to the commercial bid, where we submit our rates.

If you score well technically, you can be ranked L2 or L3 and still win the contract because the technical bid carries a higher weighting. In the technical bid, they consider criteria such as the volumes you have handled, the financial position of the company, and the type of solution you are providing.

They also look at the countries and cities you will cover if you are awarded the contract. You have to provide all of that as part of your solution, and they award marks accordingly.

The weighting is reversed when you bid in India. In India, the government first sets a very low threshold for the technical bid. As a result, many travel agents and others can qualify technically, and then the contract is awarded directly to the L1 bidder. There is no weighting.

Unfortunately, they do not consider the type of service you will provide or the type of solution you will offer. That is how it works, so you have to strategize your bidding accordingly.

Imran: Thank you. This is very helpful. I will join the queue.

Operator: Thank you, sir. We have the next question from Samir Parous. Please go ahead.

Samir Parous: Am I audible?

Management: Yes, hello.

Samir Parous: Thank you, Amit, for the opportunity. Could you throw some light on the Spanish investigation relating to the Algiers visa-processing business and what is happening? It represents such a large portion of your revenue, {? 15 to 20% ?}. Could you provide some clarity on what happened, the current status, and what you expect?

Management: Samir, our knowledge is no greater than yours because we were also surprised to see the press release. We investigated it and understood that the consular official in Algeria, together with his junior colleague, had issued visas to people who technically should not have been given visas, and they had taken money directly from those individuals.

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We checked and realized that this had happened in 2015. The case was filed against them, and I believe they are behind bars. They even tracked the cash and were able to validate that they had purchased a car or something else with that money.

After seeing the news, we contacted our lawyer in Spain to check whether there was any mention of BLS or whether BLS was required to take any action, because we had not received any communication from the government or the court.

We asked the lawyer to check whether anything had been issued that had not been communicated to us. We received confirmation from our lawyer in Spain that she had categorically confirmed that, among all the documents available in the public domain that she could obtain, BLS's name had not been mentioned anywhere to date.

That is the bottom line. As you know, we provide entirely non-judgmental services. Nobody would be interested in giving money to us to obtain a visa because the decision is made by the embassy. We only communicate the decision to the traveler.

It came as a surprise because we were not aware that the consular official had been changed because of this issue. We thought it was a normal process in which one consular official leaves and a new one is sent there, while we continued providing services.

We also asked the embassy and government authorities whether they had given us any communication. They said, “Have we given you any communication?” We said no. They said that if they had not told us anything, why were we concerned about it? That is where we stand today.

Samir Parous: Does this type of news flow, even if your company is not involved, hamper you in any way from a pre-qualification perspective?

Management: Not at all, Samir. Our SLAs are based on ensuring that applications are processed and shared with the authorities within the required period, perhaps 48 hours or so. We are evaluated on those SLAs.

This happened between the embassy officials and was carried out directly by the embassy personnel. We were not even aware that anything like this had happened. We came to know about it only after seeing the press release.

Unfortunately, if you read that press release, it does not even mention any source from which the news was obtained. We tried to check whether there was any source that we could verify.

We could not find it on the Spanish embassy website, where we could have checked it, nor could we find it anywhere on the court website where BLS was mentioned.

What the press release stated is that we provide services. It is a fact that we provide services to the Spanish government in Algeria and, for that matter, anywhere in the world.

Samir Parous: Are the services there provided by your company or by one of your affiliates?

Management: We provide the services directly in most countries now. We have moved away from our partnership model.

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Samir Parous: Okay. Thank you.

Management: The fact is that we provide the processing services in Algiers.

Samir Parous: Okay. Thank you.

Operator: Thank you, sir. We have a question in the chat box from Mohit. Can you explain the non-visa business segments and their EBITDA guidance and any improvement, if applicable?

Management: The non-visa business is the digital business. Dipali, I believe you have a meeting tomorrow at the same time, from 11:00 to around 1:00 or 2:00, where we will discuss the digital business in detail. I will quickly touch upon it now.

As of today, we have broadly 3 segments in the digital business.

The first is the banking business, which we call banking correspondent services. We provide last-mile banking for Indian banks, including nationalized and private banks. This means that we open small branches on behalf of the banks in areas where they do not have their own branches.

We provide all the basic banking services from those small branches, including opening a bank account, depositing cash, withdrawing cash, and providing a printout of the passbook. This is one major segment of the digital non-visa business.

The second is e-governance, which we also call G2C, or government-to-citizen services. We open small offices on behalf of state and central governments and provide the services that citizens require from the government.

For example, if citizens need a birth certificate, we provide those services in Uttar Pradesh, Karnataka, and other states. They can come to these centers for birth certificates, marriage certificates, and death certificates.

We have now added Aadhaar services. We are opening more than 400 branches across India on behalf of Aadhaar, where we will provide services for obtaining a new Aadhaar card or making changes to existing cards. This is our G2C or e-governance business.

The third segment is a company we acquired that is involved in loan distribution. It has agreements with more than 16 NBFCs and banks, and it handles the loan-distribution process on their behalf.

It has more than 6,500 DSAs who process applications, after which the loan distribution takes place. Nothing is on our books; it only involves processing and getting the loan disbursed.

These are the 3 segments in the non-visa business.

Operator: There is a question from Shantanu: Why have visa applications been flat for the past few quarters, and why is revenue per application also declining?

Management: First of all, volumes in the visa business do not depend on us. It is a need-based business. I can share a simple example. If you have a program or a wedding to attend in the USA, and I offer you a 50% discount on a Spain visa, how many people would accept that offer, change

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their decision to travel to the US, and go to Spain instead?

That is why it is very difficult in our business to market and increase the number of people coming to apply for visas. If you have a need to travel, you will come and even stand outside our offices for 1 or 2 hours because you have to travel to that country.

Ultimately, the volumes are very much outside our control. Revenue per application is governed by the value-added services that a traveler requires. It changes depending on those requirements. However, if you look at it quarter by quarter, our net revenue per application has been improving.

Operator: We have a follow-up question from Samir. Please go ahead.

Samir Parous: I am sorry, my question was already answered. My hand was up from the earlier question.

Operator: No problem. The next question is from Imran. Please go ahead.

Imran: Thank you again. Could you talk about the competition, who the larger players are that you compete with, their cost structures if you know them, and any advantages you have because of the geographic locations in which you are present? Are there any strengths or weaknesses that you would like to highlight?

Management: Let me give you a broad picture. As of today, about 50% of countries have adopted this outsourcing model. Another 50% of countries still need to adopt the outsourcing model. What I am saying is that the market still has to grow in terms of its overall size.

We are working with Brazil and some other countries to give them a pilot project. If they find it satisfactory, they can replicate it in other countries and governments as well.

At a broad level, there are 3 players who have more than 85-90% of the market. The other 2 are not listed at all.

VFS is the largest, with more than 60% of the market. We have approximately 16-17% of the market, and the third player, TLScontact, which is a French company, has about 15% of the market today.

Imran: I am sorry, did you say that the first player has a 60% market share?

Management: VFS has more than 60% of the market share. We have approximately 17%. These are all rough numbers because the companies do not disclose their volumes, but this is what we obtain from the market. TLS has approximately 15% of the market share today.

Of the 3 players, VFS and we are very aggressive. Practically speaking, the market is a duopoly because TLS is a very selective player. It is a French company and is selective about the locations it enters. Essentially, the 2 of us compete in most of the tenders.

Management: The other players are unable to enter because of the barriers that have been created over time by our competitors. They used to include conditions in tenders stating that a bidder should have processed at least 1 million applications in the previous year or should be providing services to at least 2 Schengen countries to be eligible to bid. This creates a barrier for any new

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entrant.

Looking at our own history, we started in 2005, and our first major breakthrough came in 2016. Becoming eligible to bid involves a significant barrier that has been created over the years.

I am now giving you a more general view, with the disclaimer that this is only our impression. We see VFS and TLS as very large companies because TLS is based in France, while VFS has grown aggressively over the years. They have created many layers in their businesses.

Our advantages are, first, cost. We are much more competitive in terms of pricing.

Second is our flexibility in adapting to whatever the clients require. We take those decisions much faster than the other 2 companies because they take time to respond and then make changes according to customer requirements.

We see a significant advantage in these areas, and we have been aggressively bidding and trying to obtain more business across the globe.

Imran: This is very helpful. I will just share my perspective. Everything looks excellent in terms of the numbers, the cash you have, the cash you generate, the competitive positioning, and the other advantages.

The only concern I have is the overhang of the e-services business, which is completely unrelated. Visa and consular services are a very good business with a very high return on capital and negative working capital. It is a dream business, so to say.

The other business is a very thin-margin business.

Management: It is a high-volume and thin-margin business.

Imran: What are your thoughts on this? In the medium term, would you want to separate it and simplify the structure, if that is possible?

Management: I fully agree with you. As you said, they are different businesses—apples and oranges, so to speak.

Visa is a low-volume but high-margin business, whereas digital is a high-volume and low-margin business. Both also have different growth trajectories.

We currently see more M&A opportunities in digital than in visa because, as I said, there are only 3 major players in visa controlling around 90% of the market. Therefore, it is difficult to find small and niche players that we can acquire.

Considering all of this, we took the deliberate decision to list the digital business separately. As I said, we currently hold only around 52-53% of the equity in that company.

Tomorrow, investors will have a call regarding its growth and how we see that business developing over time. The base is small, so you will see a much higher growth rate there compared with visa, and it could grow by a couple of times over the next 1 or 2 years. It has the potential to grow in that

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manner.

Imran: I completely agree that the business is growing well. My point was slightly different.

Let us say there are investors who only want to buy or hold a long-term position in the visa and consular services business. Unfortunately, they do not have that option. They have to buy the digital business along with it. It is like receiving a bouquet.

Management: Yes, but as I said, we currently hold only 52% of the equity. We have gradually reduced our holding.

Once the digital business requires new equity or additional funding to support its next growth phase, it could easily become a non-subsidiary over time. Again, the need for funds may trigger its separation because we are now more like the initial promoter of that company.

It could be similar to Naukri, where the other businesses have created offshoots that have grown at their own pace.

Imran: Understood. On a separate note, I am very soon planning to use the services of one of the companies you own, Citizenship Invest. I may give your reference and get a discount.

Management: Yes, certainly, anytime.

Imran: Thank you.

Operator: There is a question in the chat box: Is there any guidance on the visa-volume business and any guidance on the change in revenue mix going forward?

Management: First of all, we do not provide future guidance. However, to give you an indication, the visa business, as I said earlier, is highly dependent on the travel industry.

If you see the travel industry growing at approximately 8-10%, you can assume that as the base volume that we will handle in this business.

As I said, one large contract in any segment can change the mix. However, because we completed a couple of acquisitions in the digital business over the last year, the proportion of the digital business in the overall business has been changing over the initial couple of quarters.

Operator: There is a question from Dinesh. Can you explain the synergies you foresee in the new hotel business?

Management: Frankly speaking, the hotel business was and is an experiment through which we are expanding our travel segment.

The entire intention is to continue with the existing hotels we have taken, which are performing quite well at the moment. Based on that experience, as I said, we principally want to be an asset-light company.

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In the medium to long term, if we feel that the hotel industry is an industry we should enter, we will focus more on hotel-management services rather than acquiring hotels. That is the thought process.

Over the next 1 or 2 years, we will have a better idea of how we want to scale up that business. However, currently, there is no intention to acquire any additional hotels.

Operator: There is a question from Mohit. If you exclude value-added services, what is the base revenue per application, and what price hikes are you allowed on the base application fee?

Management: Application fees are fixed for the tender and are denominated in hard currency. They will either be in dollars or euros, and they will remain the same for the tenure of the contracts.

Visa revenue would be, if you are looking at the percentage of the processing fees, somewhere around 70-75%.

Operator: Can we have an EBITDA margin of around 32% in FY27? Also, what are the competitors and risks you see in our business?

Management: We can. It all depends on the mix. If visa-business revenue exceeds 70%, the ratio will obviously become 30-32%. Again, this is a matter of the business mix.

We have now stabilized our EBITDA margin in the visa business at around 38-40%. That is the range in which we expect it to remain stable.

In the digital business, we have, frankly speaking, seen the bottom. It should start improving from here onward. However, the ultimate consolidated percentage will depend on the volume and mix of both businesses.

Operator: What about the risks and the competitive environment?

Management: As I said, in the visa business, the competition is effectively a duopoly for most contracts.

One opportunity is to expand the market by entering countries that have not yet outsourced these services.

Second, many countries have still not started outsourcing consular services, which I discussed earlier, such as passport renewal and other services. We see another opportunity in offering these services to embassies and national governments, including passport renewal services like those we provide for India, across the world.

We see opportunities to expand the market rather than simply compete with competitors, although we are doing both.

In the digital business, the market is highly fragmented. There is a significant opportunity to acquire businesses through M&A and to look at businesses outside India.

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Our entire experience over the last 5–6 years has been in India, where we have scaled up the operation to the point that more than 7.5 lakh people come to our centers every day either to withdraw or deposit cash, obtain a birth certificate, or process a loan disbursement.

We serve so many people every day that we can easily begin cross-selling to them over the next 1 or 2 years, which will improve the EBITDA margin in the future.

Operator: Thank you very much, sir. Due to time constraints, we will have to close the call. On behalf of Arihant Capital, I would like to thank management for taking the time to share insights about the company. If participants have any further questions, they may contact the Arihant Capital team. Any closing comments, sir?

Management: Thank you all for joining. I would request you to send us any queries you may have, and we will be happy to respond and explain them.

I understand that this is a very unique business and that there are no peers in the market for comparison. Understanding the business therefore takes a little more time than understanding a normal business.

You are welcome to send us any query or anything else you would like to know. Thank you.

Operator: Thank you, sir.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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