



“RNFI Services Limited
H2 FY '25 Earnings Conference Call”
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Moderator:

Ladies and gentlemen, good day and welcome to the H2 FY '25 Conference Call of RNFI Services Limited. 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 star then zero on your touchtone phone. Please note that this call is being recorded.

The management will be represented by Mr. Simran Singh, Founder and Chief Strategy Officer. Mr. Deepankar Aggarwal, Executive Director. Mr. Krishna Kumar Radheshyam Daga, Chief Executive Officer. And Mr. Nimesh Khandelwal, Chief Financial Officer. I now hand the conference over to Mr. Simran Singh, Founder and Chief Strategy Officer, RNFI Services Limited. Thank you and over to you.

Simran Singh:

Welcome everybody to our first investor call. Thank you very much for joining the call and we look forward to receiving questions from your side once we finish up the presentation. On half year basis our revenue has grown by 12%, the gross profit, all the numbers can be seen (in the presentation slide 3). We have divided the profit with between the revenue and the profit with the non-forex and the forex part, clearly to explain to you that we are not a forex based company and the revenue is not coming from forex.

The problem with forex is it's treated as a commodity so the balance sheet is taken more as a purchase and sale. Hence it looks like more of the revenue. It's a very less part of our bottom line but we need to do that because for a future to get an AD2 license that is one of the prerequisites for a RBI license. We've applied for an AD2 license. Once we receive the same from the RBI, we should be able to get push that business and a higher network should help us grow there.

This is the main reason the forex business is there and because we receive a lot of questions around this business. Our business is completely an asset line model depending on technology and operational efficiency. I'll explain to you in the further slide how the business works basically. These are the numbers on yearly basis (in the presentation slide 4). Our revenue is down because if you see our forex business is down because we try to put the cash flow purposes for other businesses and hence the revenue is down.

But our non-forex part has increased. Our EBITDA has increased. Our non-forex PAT margins have increased and net PAT margins have also increased. The clients are increased. The active sites are increasing massively. And one important thing, we reduced the borrowing by half also.

Now I'll explain to you in brief what does RNFI do basically (in the presentation slide 6). We are a last mile delivery of staffing for financial inclusion services and other services. We are getting into other industries as well. We started with a capital of INR10 lakh in 2015 without any funding. Our first funding was through the IPO when we raised funds.

We've always been a profitable entity right from the start. Growing through internal accruals. Over the years, we formed various subsidiaries like RNFI Money which is into forex business, Paysprint Private Limited which is a connected banking platform, an insurance broking firm, a delinquent loan collection.

We just recently signed an agreement to acquire Payworld Digital Private Limited. It's one of the competitors in the same space. So it enhances our network and more importantly, it has a subsidiary which has got a PPI license. Once RBI permission comes for a change of ownership in this company, we shall be able to put down a lot of products on our network which is the key mantra of our business.

Business model is here (in the presentation slide 7). The next slide is more which will explain to you clearly and explain to you on the next slide, please. This is what is there (in the presentation slide 8). In the middle, what you can see is the RNFI platform. On the left side is the market opportunity which is very, very huge because we deal in a number of products.

Our field team sources the sites who are interested in doing business with us. Then they go through an onboarding process which is a completely digitized process. And whatever people who get successful come on to the onboarding piece, then we get the training done and once the training is done, these sites come working on the platform.

The platform is the key of our business and it has various verticals which take care of like a fraud risk management module, compliance with the very, very key factor of our business, accounting and support, all work through the platform basically. On the right hand side, we got an enterprise team who sources new clients and institutions for us and cross-sell more products to them. We do deep integration for most of them with our platform.

And then so the key mantra of RNFI is very clearly more the number of sites, more the number of products, more the number of clients, more the number of products. So you will see in the coming few years with the same or faster increasing only by some percentage the revenue should go with that is what is the key mantra about our business basically. These are the various products we deal in which are self-explanatory (in the presentation slide 9). If anybody has questions about them, we would be more than willing to explain to you.

(in the presentation slide 10) These are our various companies, Relipay is RNFI's parent company, the main company, the main revenue driver. Paysprint is our business banking switch, I told you about connected banking. We recently raised INR10 crore at a valuation of INR120 crores into Paysprint. RNFI stake have gone from 60% to 55% now.

But as we mentioned in the last presentation, the promoter group has decided to transfer free shares worth around 13% which would be predominantly around INR18 crores free of cost to RNFI. So very, very soon the parent company would hold around 68% of shares.

So this is what happens, Paysprint is a profitable company now making good funds, but the requirement of fund is to network criteria so that we could apply for certain regulatory licenses there. ReliMoney is our forex company which you all know the predominant, again I am telling you the business is not to do forex but to do AD, we get an AD2 license and do foreign remittance, get leads generated through our massive agent network and add to one of the products, it should be one of the very good businesses in the future. We need to do forex exchange right now because otherwise we would not fulfil the criteria.

Payworld, we recently acquired, we started managing few of the operations from April 1. It was a loss making company last year, but we look to turn it around very soon. Very, very soon could be in the next few months itself basically.

Relicollect is our EMI collection business, CypherDigi does not do much business. Payworld Money is our PPI license company which once we get an RBI permission for the change of ownership should give good business. Insurance Broker, that's our brokerage firm. In all in all, most of the companies are very, very profitable basically leaving the Payworld which we have acquired and Relicollect which is in the nation expanding and there also the losses are not too huge.

All the companies have started contributing and we see in the next few years everybody to contribute more and make our bottom line grow. This has been our journey which is self-explanatory (in the presentation slide 11), how we started, when we started, what has happened throughout the years. This is our vision and mission (in the presentation slide 12). The vision and mission are very clear. We want to be a tech-driven distribution and a last mile service company leveraging our agent network.

The agent network, one beauty of the agent network which we mentioned in the questionnaire also is we do not pay any type of fixed remuneration to them. So it's a win on a case-case basis where they make money on the case basis and we make money on the case basis. So the idea roadmap is to add more and more agents, more and more products, keep working on the technology harder.

So with this, the agent makes a good money and we make good money and that is all the business without much capitalization. This has been the major event (in the presentation slide 13). One thing we can assure you, they put in this slide basically because of the same reason.

As a business we might go up and down in the next few years if something wrong happens, but one thing we can assure you, we will always be very, very transparent. I have told you about Payworld, I have told you about Paysprint. The lowlight is one. GST, we've got a demand of INR17 lakh. We are very, very sure about winning this case and we will update you soon once the result comes out.

The DMT regulation, the business went down because of certain regulation coming in November 1. But there again we have been able to maintain the bottom line there because we've changed the product and because of having a very, very diversified portfolio, it did not affect us, whereas it affected a few players a lot, but it did not affect us.

Our key growth drivers (in the presentation slide 15), this is like self-explanatory. The PAT has grown and PAT margins have grown the most. We'll take up any questions, Krishna and Nimesh will take any questions we have. If you see, the major revenue down is just because of the forex business. The non-forex has grown tremendously and we anticipated to grow further on basically.

This is again (in the presentation slide 16-20) as I explained to you, we'll take up any questions if you have on this. See (in the presentation slide 21) this is like the leverage. This is basically

the ARPU of the Sahayak which has grown from FY '24 to '25. Most of the Sahayak's have been appointed in the last 5-6 months basically. So we anticipate to the ARPU to go further on as they are able to add more and more products. It takes time for them to build trust and take on products.

Not every Sahayak does every product or not every bank does every product with us, but we got such a huge base, we are able to cater to most of the products. The number of active Sahayak's (in the presentation slide 22). See, this is a key-key driver which we want people to judge on should be the PAT basically because see, I will explain to you. We got a number of products, but most of the operations team works on every product.

Most of the marketing team works on most of the products. Then we got a tech team which is common, a finance team which is common. So, individually it is very difficult to do gross profit or product wise, but on a whole we can always give you a point, ball point figure of what is happening and this is what's there. If you see our PAT has grown to 20 crore in FY25, but our OCF has grown by INR29 crore over same period.

There again, one thing I wanted to explain to you very, very important is, the Sahayak will give us an annuity income. If tomorrow we start deciding okay, we are not increasing the business anymore. Let's hold it for now and we would then decrease the marketing team for sure when we decide to do it. So, the income is much more. We are reinvesting into it to grow further on and multiply our business further on.

These are number of partners and clients (in the presentation slide 23), they are increasing over the years and then the number of partners are further going there. This is again (in the presentation slide 24) more Sahayak, more products. That is what we are looking at. As the number of Sahayak's are increasing, the number of products are increasing.

We are trying to get Sahayak on more and more products there. That is what I need to see. The ARPU, the Sahayak's has increased. The new Sahayak's also, the ARPU would get decreased because of the ARPU down here. Certain Sahayak's would have just been audited in the last 2 months. They would not have started transacting also. So, this is also a very, very key point there.

See, one more thing that you have to understand in our business is we got certain people telling us, why don't you expand in one go? Why don't you do that? You could just take the market. But then, our business is not a capital. Capitalization is only on the technology part. So, if I require manpower to do marketing, it's going to hit my balance sheet in the short term very much basically.

So, we don't believe in burning money. And our DNA has always been to be profitable, make money, reinvest the money and then grow. So, this is what our pure, pure DNA is. Work in a compliant manner, do something which is compliant and basically then work in a very, very manner which balances both the profitability and the growth. This is self-explanatory (in the presentation slide 25).

This is why RMFA has a rule (in the presentation slide 26). We have a very trusted and secure compliant operations. We are trying to boost annuity. If Sahayak ARPU is going to increase, the

number of Sahayak is going to increase, the annuity income is going to increase. We have a deep marketing understanding. We have been doing this for 10 years in and out. We got a very, very strong marketing team.

Hence, we got a CEO who is from a financial background because we want to be a finance-driven company there at that end because we are into marketing and tech. So, Krishna and Nimesh are taking care of that part. We are taking care of the marketing. We train so much. We got our own training system built in. Beautiful system.

One day, whenever you got time, please welcome to our office. I will get you to the system, how we do the onboarding, compliance and stuff and you will like it. Basically, at this, we are touching a lot of customers also basically who are using our platform to withdraw money, deposit money, pay EMIs, getting the delinquents, collecting a lot of data also.

This is our reach pan in India (in the presentation slide 27). If you see our reach, it would be less compared in South, compared to North and East. That is predominantly, we have been based out of Delhi and we did not have any funding in the first few years, our first 9 years in fact. So, we invested money and we've grown from here, gone from North to East, now West. Now, we are expanding in South. So, you will see the number changing in South very, very soon. These are a key set of clients (in the presentation slide 28).

Now, this is a very, very crucial, important side (in the presentation slide 29-30). As I told you right at the start, we will be very, very transparent about what is happening. All the promoters and group shares have been parked in a trust for the longevity. The trust is managed by 4 employees of the company and there is only 1 promoter there basically to act as a bridge. The Board of Directors is very, very independent. Again, we have got executive directors who do not hold a share in the company. They are experts of the industry, independent directors of very, very high reputation from the industry. This is what they are.

For transparency and better governance, we relinquished shares of 12.7% which are presently valued around INR 20 crore just to show that we want to be transparent and so there is no conflict of interest. This year, we have decided. We just acquired Payworld in the process of that. But from September, we plan to follow the LODR regulation and give quarterly results. You all can go through this (in the presentation slide 31), please.

This is our key management board (in the presentation slide 32). Our key managers are independent directors (in the presentation slide 33). This is the shareholding structure (in the presentation slide 34). As I told you, everything is parked in a trust. We are developing and working a lot on the AI and ML (in the presentation slide 35-37) basically which will reduce a lot of operations costs which you will see in the next few years. Not a long time, next very few years. So this is what the presentation, what RNFI is all about (presentation concludes). We all say let's grow together. And thank you very much. I am happy to take your questions now. Thank you very much.

Moderator:

Thank you. We'll take our first question from the line of Agastya Dave from CAO Capital. Please go ahead.

- Agastya Dave:** Okay. Thank you very much for the opportunity. Congratulations on a very good set of numbers, sir. Singh sir, I have one suggestion. The presentation is really good. I went through the slides before as soon as they were put on the exchanges. Second, sir, there is a request. Sir, we should start doing quarterly numbers now because the way the company is progressing, there are so many moving parts now and there is a lot of progress on the non-forex business, sir.
- It would be very helpful for the investors if we can get quarterly updates from you guys. It will be easier to understand and easier to track. That's again a small suggestion, sir. I know SEBI rules are very different for you guys. But if you can do it voluntarily, sir, everyone would really appreciate it.
- Sir, now coming to the questions. Sir, I was very pleasantly surprised at the non-forex business gross margins and also the margins overall, which I can see in slide number 17. Sir, what was the reason for this? Just the scale-up of the business or were there any other levers that you could pull? And what is the sustainable. So, if I look at the gross profit level, what is the sustainable margin here? Can we improve even further or this is where we will kind of plateau out now?
- Simran Singh:** Your suggestion regarding the quarterly results, as you saw the governance time, we've come forward ourselves that we'll be giving from September this year. We'll give voluntary quarterly results, sir. Yes, sir.
- Agastya Dave:** Thank you very much, sir. Thank you, sir.
- Krishna Daga;** Sir, on the financial numbers...
- Simran Singh:** Krishna will answer about the numbers.
- Krishna Daga;** Sir, you're talking about H1 versus H2 where you were saying that, you know, is there any scope for the improvement further? Yes, definitely. We see scope in the margins going up and that's our continuous strive to increase the margins. So, as explained earlier by Mr. Singh as well, more the number of products, more the number of sahayaks will help us to increase the GP as well. So, our continuous strive is to increase the products.
- Agastya Dave:** In the non-forex business...
- Simran Singh:** This will further increase on, sir. I'm talking about the non-forex business, sir.
- Agastya Dave:** What's your -- sir, just looking at the non-forex. No chan
- Simran Singh:** Yes, I'm just talking about the non-forex also. The forex is a negligible part of the business on the bottom line, sir. So, we expect a lot of margin increasing on the non-forex side, sir.
- Agastya Dave:** Sir, but what's your sustainable level?
- Simran Singh:** I want our product to increase. Pardon, sir?
- Agastya Dave:** Sir, if I look at the next 3 years, because you will keep on adding products, but there would be some level of ceiling for this business, right? Beyond which you can't go. So, as of now, it is

growing very nicely. I'm talking specifically about the margins. But is there an upper limit to where the margins can finally start stabilizing? So, as of now, if I look at H2, you are at 30% plus. If for the entire year, you were at 29%. So, where do we -- so can we go to, let's say, 35%? Can we go to 40%? There must be some limit, no, sir?

Krishna Daga:

Sir, your question is, you know, your bang on point, sir. But we are also growing. We are also learning how we can scale and where we are going to get it saturated. So, since we are bringing new products where there are certain products which have high margins, so that is helping us to increase the GP. But there might be certain products which are good in demand and having low margins. But then they will not contribute much to the GP.

So, we are also uncertain. But definitely, over 1 year period, we will be able to know how these GP will be stagnant at one place. Because definitely, there will be some stagnancy coming in within 1 year we'll be able to know about it. I hope I was able to answer your question.

Agastya Dave:

Yes, sir. I understand your point. Sir, can you point out which products and services are higher margin and which are lower margin in the non-forex business? Just roughly, sir. I am not looking for numbers. I am just trying to understand what drives the market.

Simran Singh:

Mr. Dave, as I told you, basically, it's very difficult because the same marketing team is working. So, really difficult to point out margins of a single product. Certain products require more manpower to run in the field and certain ones required. So it's typically not possible.

Except we - that hence we requested everybody to take it as our growth drivers on the number of sites, number of clients and number of products, sir. Yes, sir.

Agastya Dave:

Right. Sir, another line item which was slightly elevated was the -- significantly elevated was the depreciation line item. So this was much above at least what I was expecting. Were there any one-off items here? What exactly led to this jump?

Nimesh Khandelwal:

Good afternoon, sir. Myself Nimesh Khandelwal. Actually sir, the jump in depreciation is because of the companies heavily investing in technology part. So that's why company is taking -- on product basis, company is taking a life of that particular technology. So that's why there is a jump in depreciation and amortization compared to last year.

Simran Singh:

All the subsidiaries as I mentioned are growing, sir. Every company is technology based only sir. Hence the reason there is a lot of uncertainty on the technology...

Agastya Dave:

And sir, you are writing off everything in one go?

Simran Singh:

No, no, sir. Not at all.

Krishna Daga:

As explained by Nimesh, we are following a prudent policy. So the capex is amortized over the period of industry standards like over the 5 years, 6 years depending upon the intangible GP which we are trying to create. So looking at the value which it gives to us, we are spreading it across the number of years.

Agastya Dave: See, why I ask this question because if I look at the net block number, that has not gone up, I mean, it has gone by INR4 crores. And then the intangibles have gone up by INR6 crores-INR7 crores. So I was just wondering, I guess I will wait for the annual report when the schedules come out. Sir last question from my side. Again, in the...

Krishna Daga; You will come to know there itself.

Agastya Dave: Right, right, right.

Krishna Daga; You will come to know later.

Agastya Dave: I understood sir. Sir, last explanation that I require is on the other current liabilities. It's a INR136.95 crore number. Again sir, I don't have the schedule. So that's why I am asking. Can you explain what all is included here and how will this number scale up as we go forward?

Nimesh Khandelwal: Sir, basically in other current liabilities, as you know company is majorly doing in BC business, as well as their multiple products. So definitely merchants need to deposit some amount of money in the company. So this is all that ledger balance and all the balance is parked in other current liabilities.

Simran Singh: Mr. Dave, we work on advanced ledger basis, the agent base is very, very high. It's around 2 lakh agents. So working on credit is not possible with the agents. So agents keep advance with us. It's working on advanced ledger which money they use to do various products, sir. Hence that advance money is a portion of the liability parts.

Agastya Dave: What's the tenure of these advances, sir? Is there a particular time period after which you...

Simran Singh: They use it on a daily basis, two day basis. Then they flex it again to do work again. That is the reason sir.

Agastya Dave: So this is rolled on forward, right? On a forward basis.

Simran Singh: Yes, rolled on forward and on a daily basis. Yes.

Agastya Dave: Understood, understood. Great, sir. One final question if I can squeeze one in.

Simran Singh: Sir, it would be more. If it's a weekday, it would be less. So that is how it works, sir.

Agastya Dave: Understood. Sir, one last question sir if I can squeeze that in. On the forex side and also on the non-forex side, what can we expect for next year in terms of growth? Will the forex business continue to go decline at the current rate 25%-30% year-on-year? How will you phase it out? Do you want to phase it out?

And on the non-forex business, how do you see the growth sustain? Can we sustain this almost 50% growth year-on-year? What are your plans in terms of new products and how will they add to our growth?

Simran Singh: On the non-forex side sir, we don't plan to phase out the business. We plan to do this business till we get an authorized dealer to license. On the forex side, once we get an authorized dealer to license us, then we would kick off that company properly sir. So, it will be more or less remain the same for the next year sir. We are expecting the license to come very soon, but we all know it's not in our hands. We are waiting for that. So, we will keep the business here.

One thing is there well not move money for sure. And on the non-forex side sir, we've grown tremendously over the past 2 years. We anticipate to grow at the same pace over the next few years for now. Regarding the products, new products coming out sir, as we come, we surely implement to you. We would not like to call this out on an open forum now because we are expecting very, very important for growth in the next 2 years, sir.

But we are coming up with 12 new products very, very soon sir. And these products will help us to maintain this growth rate. That's when Krishna was saying, I was trying to and say, these products will surely maintain our growth rate. We will try and maintain the growth rate for sure, sir.

Agastya Dave: Great, sir. Sir, the PPI license that you were talking about, that will get transferred post-acquisition. Sir, do we have a concrete letter of, I don't know what do I call it, but is the RBI okay with it? Has the RBI okayed the fact that once the acquisition is done, you can use the PPI license?

Simran Singh: Yes, we applied for the RBI permission, sir. It's in process, sir. So once it is -- we will give you the update accordingly.

Agastya Dave: Any indication sir from their side, if they are like prima facie okay with it? Because in the past there have been cases where RBI has been very finicky about transferring such licenses. There have been regulatory problems.

Simran Singh: As you are aware that we have just acquired it and the application process has just started. So it is too early to say for us. There is a timeline period beyond which we cannot comment because RBI will come up with the questions post that timeline is brief. We will keep you posted on this sir. But we'll keep you posted on this sir. We are already a regulated entity, controlling a regulated entity, the forex company sir. So we don't anticipate much problems, but we'll surely keep you posted, sir.

Agastya Dave: Great, sir. Thank you very much for answering. Right, sir. Thank you very much Singh, sir for answering all the questions and also to your team members. I didn't catch all the names. So I thank everyone individually. All the best, sir. The numbers were pretty good. The margins were really, really good. So well done, sir and congratulations. All the best for the next year. Thank you.

Simran Singh: Thank you for your support. Thank you, sir.

Moderator: Thank you. We'll take our next question from the line of Mahaveer, an Individual Investor. Please go ahead.

- Mahaveer:** Thank you so much sir for this opportunity and congratulations on the amazing number. So recently we had a fund raising Paysprint. So just wanted to understand how this is going to benefit the RNFI shareholders and how much revenue will Paysprint be adding to our top line and bottom line?
- Simran Singh:** Our Paysprint has turned around profitable this year sir. It was a loss making company till last year, but has made decent profits here. Okay, sir. With this fundraise, which you have done at a INR120 crore valuation, as I told you, our shareholding would come down from 60% to 55%, but very shortly the promoter group relinquish shares will get added. So our stake would go to 68%.
- The fundraise was typically done to increase the valuation to get to again apply for a certain license, which we would be doing shortly. Without the license coming into the picture, also going to still take some time for that license. We are anticipating the company to contribute much more as it contribute to the RNFI bottom line last year. And once the license comes in, it will be then one of our main companies along with the Reliassure and surely a forex company in the future, sir.
- Management:** And Mr. Mahaveer:, one more thing to add is that you know, the shareholder value has been already enhanced by the promoters, by relinquishing that they are part of shares, the 40% which they have relinquished. So that has already enhanced the shareholder value.
- Mahaveer:** Okay. Okay. Got it. So we can call, why do we call ourselves like tech distribution company? Rather we can call ourselves as fintech company, right? With Paysprint also being in picture.
- Simran Singh:** Mr. Mahaveer, see Paysprint is just a vertical of RNFI basically. RNFI does a lot of work other than that also. So we are taking care of the present, working on cash products as well. And as far as future is concerned, we are concentrating on Paysprint and Payworld Digital. In a few years' time, cash has grown, I know from INR17 lakhs to INR38 lakhs . So cash is still the king in the rural areas.
- But we are taking care of the future and that is how we want to build ourselves basically as a distribution company using technology. If you see Paysprint also, that Paysprint is more of a fintech. But if you see as a group, we are more of a tech-tech distribution company. I know technology is a core and as I explained to you also, the technology is a core, but we want to distribute ourselves more and more. And that is what we want to leverage our network on, sir, by distributing more and more products sir.j
- Mahaveer:** Okay. Sir, in terms of numbers, can you just elaborate more on our recent acquisition of Payworld? Like how it's going to add, like how many agents it has added to our network and how it's going to add to our top line and bottom line?
- Simran Singh:** Yes, sir. So Payworld basically, we've not acquired. Payworld basically because it was a profitable company and will add to our bottom line basically. We acquired Payworld at a very, very reasonable price. And because it will add value, its active agents are around 60,000 agents. And we only talk about activations. It's got a base of 1 million, but that's not of use to the company.

So we always talk about activations. The agents activations are the ones who contribute to the company revenue. So we're looking to turn out the company very, very soon. Very, very soon. In the next results, we'll surely come up with what we have done a turnaround of the company with basically.

Mahaveer: Okay, got it. So just to add to the previous questions that was asked by the previous participants. So going forward, we see that the revenue is going to decrease from different verticals and PAT will increase. So do you have any, any guidance for FY '26?

Simran Singh: No, no, the revenue will not decrease in any of the products. The revenue will also increase and the PAT will also increase, but he meant to say the PAT percentage might increase further on basically. Revenue will not decrease. The revenue is on an increasing curve, but it's an optimistic curve right now.

Management: So if you see only the non-forex business vertical, we have grown the revenue there. So only the forex business was down. It was a, it was a conscious approach by the management and that's how we have taken the call. Better, for better utilization of capital.

Mahaveer: Okay. So we will be getting a license for forex business as well, right?

Simran Singh: Yes, we already have a license for a full-fledged money changer licensor. We already have that license. We applied for an authorized regulatory license because we want to get into remittances, sir, which is a very, very lucrative business right now, sir.

Mahaveer: Okay. Okay. Okay, sir. Got it. Thank you very much, sir. Good luck.

Simran Singh: Thank you.

Moderator: We'll take our next question from the line of Saurabh, an Individual Investor. Please go ahead. Mr. Saurabh, kindly unmute your line and go ahead with your questions, please. There is no response from Saurabh's line. We have Saurabh on the call. Saurabh, please check if your phone is on mute. Saurabh, we are unable to hear you. Please unmute your phone and go ahead with your question. There is no response. We have a follow-up question from the line of Agastya Dave from CAO Capital. Please go ahead.

Agastya Dave: Thank you very much for the follow-up. Singh sir, going forward, are there any critical regulatory approvals or licenses that you need to apply? And, what are the various network criterias for the said licenses?

Simran Singh: So, I mentioned to you about the Payworld transfer of ownership, which we applied for before. And, I mentioned to you even about AD2, authorized dealer 2 license applied by our forex subsidiary, sir. These are the two licenses...

Agastya Dave: Sir, apart from that.

Simran Singh: We are applying for a license in Paysprint, sir, very shortly. I am very assured our broking license is due for renewal next year, sir.

- Management:** So, Mr. Dave, the new licenses we are planning to apply, we will surely keep updating the investor and the shareholder group directly. But, at present, we would like to not disclose much information...
- Agastya Dave:** Understood.
- Management:** You know, this, in fact, our strategy. So just to answer your question, yes, the minimum criteria for the network is from INR15 crores to INR25 crores for licenses. So, that is the normal network requirement, which the RBI keeps asking us.
- Agastya Dave:** Correct, correct, correct. So, my question was, there was a follow-up to this. My main question was that, because you have so many verticals, do you have like multiple SPVs or subsidiaries on which, I mean, which will take these licenses on board? And when the network criteria is considered, for example, for the PPI, as far as I remember, the network criteria is INR15 crores. It may have changed, but that is what I remember.
- So, when they consider giving you the license in one of the entities, do they consider the consolidated network of RNFI or the subsidiary, which is applying for the license? And where will these licenses get housed, finally? In the consolidated entity, the parent entity, or subsidiaries?
- Simran Singh:** Yes, Mr. Dave. So, Mr. Dave, the license is not considered on a valuation of consolidated basis. It's a valuation of the network of the subsidiary only. So, and the license will be housed in the subsidiary itself, sir. So, we try to explain the question also. So, there are different licenses for different verticals, sir. Like for an insurance company, you would need a name of insurance broking regulated by RBI -- IRDA. And the name has to be insurance broking, sir.
- So, you can't have that license in one of the other companies. So, you specifically have to have a network there in that company, and apply for a license there, sir. So, it will be, I have to make the question clear. It has to be housed in the, it will be housed in the subsidiary itself, the subsidiary only, and the network of the subsidiary is considered, sir. Like...
- Agastya Dave:** Understood...
- Simran Singh:** To be invested INR10 crores RNFI money to apply for the authorization to license, sir.
- Agastya Dave:** So, the housing part is, was, I knew the answer that it has to be done in the subsidiary. But if the network criteria is not for the consolidated entity, would you need to dilute at the subsidiary level? Or how will you make sure that every criteria is fulfilled?
- Simran Singh:** Not anymore for now, sir. We've managed it for now, sir, with all the companies, network criteria, sir. And we would require funds in our parent company, because that is the major contributor right now. So, right now, we'll continue the same. So, right now, the subsidiary will not be raising funds any further, for the near future, sir.
- Moderator:** Agastya, does that answer your question?
- Agastya Dave:** I got disconnected for a bit. I'll go through the transcript. It's fine. It's fine. Hello.

Moderator: You're through for now, right?

Agastya Dave: Yes. Yes, I'm through. Thank you. Thank you very much, Singh, sir. All the best for the next, next year, sir. Thank you.

Simran Singh: Thank you.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to Mr. Simran Singh for closing comments. Over to you, sir.

Simran Singh: Thank you, everybody, for removing the time and joining our first investor call. It's been our first call. So, apologies for any mistakes we've committed today. We keep improving. And more importantly, we'll always be transparent, sir. That's for sure. Thank you very much. Thanks a lot.

Moderator: Thank you. On behalf of RNFI Service Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.