

Date: 17<sup>th</sup> February, 2022

**To,**  
**The Manager,**  
**Department of Corporate Services,**  
**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

**Subject: Transcript of earning conference call**  
**Scrip ID: WSFIN**  
**Scrip Code: 511147**

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Dear Sir/ Madam,

We are enclosing the copy of transcript of the Earnings Conference Call held on Wednesday, 16<sup>th</sup> February, 2022. The same will be uploaded on the website of the Company, [www.wsfx.in](http://www.wsfx.in).

You are requested to take the same on your record.

Thanking You,

Yours faithfully,

**For Wall Street Finance Limited**

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**Manisha Swami**  
**Company Secretary & Compliance Officer**

*Encl: As above*



“Wall Street Finance Limited Q3 FY-22 Earnings  
Conference Call”

**February 16, 2022**



**MANAGEMENT: MR. N. SRIKRISHNA – CEO & WHOLE TIME  
DIRECTOR.  
MR. DIPESH DHAROD - CHIEF FINANCIAL OFFICER.**

**Moderator:** Ladies and gentlemen, good evening and welcome to the Q3 Investor Conference Call of Wall Street Finance 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 signally the operator by ‘\*’ then ‘0’ on your touchtone phone. Please note that this content is being recorded.

Material and information in this Conference Call is general background about the Company’s activities as at the date of this presentation. Information in this presentation, should not be considered as advice or a recommendation to investors or potential investors in relation to holding, purchasing, or selling securities and does not take into account your particular investment objectives, financial situation or needs. This information is given in summary form and does not purport to be complete.

I now hand over the conference to Mr. N. Srikrishna – CEO & Whole Time Director and Mr. Dipesh Dharod - Chief Financial Officer. Thank you and over to you Sir.

**N. Srikrishna:** Thank you. Good evening this is Srikrishna here along with my colleague Dipesh.

**Dipesh Dharod:** Good evening all.

**N. Srikrishna:** And it’s a pleasure to connect once again after quite some time. To present our financials for the Q3 and the nine months ended 31st December 2021. As always we start with a small presentation of the company, give a latest update on what’s happening in the company. The strategic direction in which we are progressing along with an update of the digital initiatives. Besides, that results which we’ll be talking about. We had already uploaded the presentation on the company’s website as well as the BSE website.

So over to the presentation, a brief introduction about Wall Street. So we concentrate more on the last three to four years where the company has been progressing in the FOREX space post the sale of its MTSS business. So Wall Street is an AD category 2 license holder from Reserve Bank of India, listed in BSE, and today we are ISO 27001 certified company. Last three, four months backs we were selected for the RBI Sand Box for cross boarder remittance. And we were able to test our product in the sandbox. So we can say with this we have established ourselves as a FOREX Fintech with a cross border remittance product. So, what exactly we have been doing, what is the journey we have taken in the last four years. One is after sale of MTSS business moving from our traditional money changing wholesale centric business, to retail FOREX business with focus on students and millennial’s. This has been a key focus and this strategy had helped us over the four years, last two years was struck by pandemic. And this focus of moving from wholesale to remittances have really helped the company because during this pandemic period, where only remittance was the business available, and we were able to generate some revenue from this activity.

We have a network of 16 branches PAN India, and we also have digital platforms for all our segments. Today, more than 50% of our business in the corporate side comes from the corporate platform. We have an agent platform for our agent partners. And we also have our consumer offering in the form of an app besides managing the smart currency card which has been sponsored card which we launched a couple of years back with YES bank.

Coming back to the RBI Sand Box testing, we were able to showcase our product called WSFx Secusmart Remit, which is a fully digital product for outward remittances and realize. I will be discussing in detail later in this presentation on this product. We have a good base of customers we have strong partners like a HDFC Credila, Incred, Landmark. We also have large corporates like E&Y, Hexaware, Siemens, Mphasis, Persistent Systems who use our services. Obviously being in the travel space where we are dependent on international travel. Last seven quarters we have been affected by the COVID pandemic.

Moving to the next slide. This is the overall view of what we have done in the digital side. Focus on creating platforms in the last three years we have built platforms for all our businesses. And today we are happy to say we have number of customers on boarded and we are transacting. Last two years as I said, pandemic has impacted us in a very severe manner. Now coming to the highlights of Q3. So, I'll talk a little bit of Q2 also. So, Q3, in a sense, we can feel happy that for the first time we saw some growth in corporate and leisure segment over the last six quarters which was more or less not there because of pandemic. But since there was a slight opening up we saw a surge, but not enough because still there were pandemic fears in the later part of the quarter we had this Omicron effect also. But what is positive now is, this segment is also picking up and people started traveling. But since borders were not open, we couldn't see the level of surge we were expecting did not happen. Q3 signifies a kind of a holiday season if you look at it in foreign exchange, Q3 is a kind of a lean season where people come to India. So a students season gets over by September, so between Q2 and Q3 we saw a dip in our students business, because students business is a seasonal business, where the peak is for four to five months in a year. So, naturally we had a dip in the students business in October and November.

Earlier during this period, we will have encashment support with the NRI coming back to India and people coming to India tourist location but because of pandemic that business is not available to us. From a financials perspective we were at a net revenue of INR 3.51 crores in Q3 from INR 4.46 in Q2. So, there was a de-growth of 21% quarter-on-quarter but as I explained to you, students which is the main thing and the only business available taper down in Q3. When it comes to expenses, we were at INR 5.32 crores we had a loss of around 2.05 crores for the quarter as against only 14 lakhs on Q2.

An important update of digital is, this RBI Regulatory Sand Box selected our product and we did our testing in Q3. In fact that we completed our testing in February 7th, it was the entire Q3 plus one month we did the testing. This is a fully integrated solution where we have showcased our digital onboarding process including video KYC, Aadhaar e-sign, we have also done integration

with Visa Direct to transfer funds to international to the beneficiaries international debit card, this is the first time this has happened and we have been able to successfully showcase this also. Now the testing is complete we will be waiting for the next set of steps we will take on this.

Next slide we talk of a comparison between the various quarters and the same period last year. If you look at it from an overall perspective, our income has grown. So, between Q3 of current year and the Q3 of previous year we have shown a 59% growth. Our gross revenues we at around 7.72 crore as against 4.86 crores, net revenue was also at a 45% growth, 3.51 against previous year's 2.42 for the same period, but at the PBT level we remained the same because our expenses had picked up because we had to with market opening up, we had to go back to the current levels of salary because last year we had done a lot of COVID related measures. Then we compare Q3 to Q2, you can see there is a de-growth of 19% because from 9.55 crores we went to 7.72 crores as I explained, even though other segments picked up, student has been the largest segment with 80% of our revenues. Students business comes down in Q3 again it picks up in December and January. So we had a dip. From a net revenue perspective we de-grew from 4.45 crore to 3.5, which is a 21% drop at PBT level we were at a 2.04 crore loss against 14 lakhs for the previous quarter. On a nine month comparison that is from April to December, we saw from revenue perspective gross revenue the growth has been 60%, net revenue was 40%. But at a PBT level we were at 3.9 crores loss against last year 4.8 crores. Now, I will hand over this call to Dipesh who will give you a flavor of the quarter-on-quarter comparison.

**Dipesh Dharod:**

Thank you, Srikrishna sir. Good evening shareholder and investors. In continuation to the PPT that we have uploaded when we talk about competitive charts, quarter-on-quarter in the last 11 quarters that we have shared with you, there is a graphical representation of the same. The first chart contains the gross and the net revenues and the second one contains the expenses. When you look at it from quarter of 19-20, which was pre COVID to quarter 3 of 20-21 and quarter 3 of 21-22 we are almost back at the same level with regard to our gross revenues, where we had clocked 989 lakhs in Q2 of 19-20. We have come back to 956 lakhs in Q2 21-22. So, the pre COVID levels are coming in, things are opening up and we see this happening and we see better revenues from here. Further with regard to expenses, they are marginally increased as Mr. Krishna did mention that some salaries had to be restored, some rollback of concessions which were given earlier have to be again brought back to the original levels.

Now, I move to the next slide, which talks about our priority segment, which is majorly our prepaid cards and the outward remittances. When we talk about Q3 in particular, from 19-20 to 20-21 to 21-22 we see a very growth from quarter three of 19-20 where we were 31% above the base and now we are 42% above the base. So, that shows the amounts have grown to pre-COVID levels, that remains consistent for even outward remittance where earlier 109% of the base, today also it is 109% of the base. So, this looks like we are out of the pandemic or pre pandemic levels have again flown back.

Moving on to the next slide. This is a tabular display of all the figures for the last 11 quarter, giving you each line item and each figure in a particular column, where you can see the revenues for the current quarter. The total revenue from the operation is 772 lakhs against an expenditure of 530 lakhs and overall PBT loss of 204.62 lakhs and PAT loss of 143.09 lakhs. I won't run through all the figures it's just a comparison where you can have a look at it. Next slide, it talks about our results, which is already published, where you have quarter-on-quarter comparison and a nine month comparison between the numbers. Next to give the digital journey, I will hand over to Mr. Krishna, who will talk about the digital journey for Wall Street Finance. Thank you.

**N. Srikrishna:**

Thanks Dipesh. A quick round of on the digital part of the business. We have multiple platforms we have a corporate platform whereas of today we have (+200) corporates, we have an agent platform, where we have nearly around +390 agents onboarded. We have our own smart currency card with app in fact, once the travel has resumed we have seen a healthy growth in this product and as Dipesh had shown in his earlier slides. Our card business is slowly coming to pre pandemic levels and we expect the growth to happen. In fact we are optimistic that with slowly, the global economies opening up, less travel restrictions we are hopeful of a very good summer season where leisure picks up in a big way besides corporate. We also have a smart FX portal and app, wherein you can do both remittances and cards transaction.

When it comes to the last slide I talk about, the most important thing for us, which has been our selection in the RBI regulatory Sand Box testing. So, this has been a kind of a unique opportunity where we were selected, amongst the eight people selected to showcase our product. And we have done the testing of the product, what is unique is, we were able to demonstrate very clearly with actual user testing, how complete digital process of onboarding besides, we were able to also show that we had integrated our product with compliance checks, PAN validation, passport validation, etc herein we could seamlessly do all the checks also in this and then process the transaction without any need to physically see the customer or take a signature we could get it validated through Aadhaar E-sign and subsequently route the transactions either to the beneficiary's bank account or first time we have done it to the overseas beneficiaries, International Visa Debit card linked to his bank account, which is a kind of a first time which is happening, which is what we have showcased and tested in this thing. And one other thing where we got permission, which we have done transactions to show this, we have done, we were allowed permission to do transactions under family maintenance, gift and investment for debt and equity. So, these are three categories, which was not available to AD-2, we were permitted and we were able to show that we could handle these transactions in this manner. What is so special about this visa direct transfers and all is, we can today transfer money all seven days, there is no holiday anything, I can transfer money and wherever it is fast fund enabled, I could transfer the money in as fast as 10 minutes, customer is very happy with the way the transfers have happened. So, this is something revolutionary, which is there, we are hopeful that now the testing is over and post evaluation, we may be allowed approvals for this product. And we are hopeful that there will be a good reception for this, because whatever we got the feedback was very good for this entire product. So with this, I would come to the end of my presentation. Now

that pandemic Omicron we are seeing the pandemic effect coming down. With the economies opening up in February, we saw a lot of countries relaxing their testing guidelines. So, we are hopeful that besides students, now we will see a good pickup of leisure and corporate segment, which is very important for us because for last eight quarters, we have only gone with one pillar, that is our student remittances. Now we will have the other segments opening up and we look forward to a good subsequent quarters to be good ones, that's what we are hopeful, and with this I come to the end of my presentation. Now, I'd like to hand over the conference to the moderator. Thank you.

**Moderator:** Thank you. Ladies and gentlemen we will now begin with the question-and-answer session. The first question is from the line of Rishi from HNI Investment. Please go ahead.

**Rishi:** So you've said a lot of things about your digital transformation. Now, we are seeing your company from last four years I've invested in your company around seven years ago with all due respect to your Chairman and to the management team. We are not able to increase the revenue as projected. Some of them maybe because of the macro factors, but this digital transformation did you really feel on the ground it is working because if I have to travel to US or London while I'll keep the digital currency with me or the money transfer through that. So what is the scope of that digital transformation what's your internal assessment that how much your business will expand with this technology based products what you have given in your presentation, if you can just explain us that and guide us in the right fashion and manner that would be great sir.

**N. Srikrishna:** Okay. So that's what I always given a history when we sold MTSS. MTSS business was the number one priority, we sold it and we concentrated on FOREX. At the time, it was decided as a strategic basis that we will expand through our digital proposition. So we started building a couple of platforms, we didn't want to remain in one B2C offering because B2C offering sometimes takes a lot of time to take traction, because from a compliance angle, there are a lot of processes which needed a physicality when we started the journey. Because when we started the digital journey, that was the time we thought we will do Aadhaar OTP based authentication. But if you remember in 2017, Aadhaar OTP based authentication, we could no longer use because of the Supreme Court ruling and all. So we had to focus on B2B initially. So our company's idea was how do we expand without physical expansion, because everything was going digital without geographical expansion, without increasing cost exponentially because money changing was more of a physical sort of a business. How do we grow our business from being an asset light organization where we don't have to expand physically, but how do we expand through the digital proposition was the fundamental discussion at a strategic level we had, and what were the priority segments, which we need to focus on because Wall Street heritage versus traditionally wholesale business heritage. So strategically, it was decided to move away from currency business to remittance and cards. That was the first strategic objective. Second was also to ensure we can reach geographically without a physical network, which is very expensive considering the margins were going down in the business. So we set out doing this and we built platforms for each of the segments. And if today, even whatever corporate

business we have 55% of the transactions come through our platforms only because we are have integrated with multiple large corporates. Now this was the fundamental objective in which we grew the business. So from 35, 36 plus branches, we are today at 16 branches. But if you look at it from NR perspective, we have grown it three times when we took over in 2017, to where we were pre Corona, we had literally gone to three times of the net revenue in a single month. So what we say, it was working fine for us where each customer was coming in obviously, initially there was a lot of resistances because people did not realize the need for digital at the time network was there, but the COVID has changed this mindset also in the last one to two years, we can see people very receptive to look at integrating with our platform, etc. So what has happened is, suddenly we got a rude shock two years, back in February last week where entirely travel came to a standstill. So we have been only talking, talking because we did everything we launched our Yes Bank card. Where a small challenge in March and April 2020, we had pandemic coming in where international travel stop. Now, thanks to at least one part of our strategy. One part of our strategy, we were able to at least get the remittance business, if you look at my remittance business it has gone to pre pandemic levels, even though my other businesses are not there. So, our strategy in a way digital strategy did not give us results because simply put last two years corporate travel, leisure travel has not been there. But our remittance strategy of focusing on students did pay off because whatever revenue we are booking is only from that segment which has been going on for the last 18 months.

Now we feel with us and there was also some more challenges were, thanks to certain rules and regulations. We were not able to literally give a contactless solution which we have demonstrated in a WSFx Secusmart Remit, earlier if you will go through master directions KYC, we are not allowed Aadhaar, we are not allowed Aadhaar OTP and all. Today for my digital process last year only we got permission to do video KYC. Second, is now only we got permission to add DigiLocker, which is an Aadhaar OTP based validation. So there were also some regulatory bottlenecks where we had to wait for the guidelines to change to make it a complete contactless experience. See with the Secusmart Remit we are able to validate it through live transactions and we are confident and whatever we have been talking or trying to do will turn into a profitable proposition in the coming quarters. Because simply put, when I am doing only one leg of business, there is that much only I can end up doing, but as I said we have stuck on despite all these things, we are stuck on to our goals and objectives. And today we can say because in a way we have been validated by being selected for a regulatory Sand Box project. So, we say that our site is correct, our vision is correct only thing is now the revenues have to come in to validate it and we appreciate all of you for your patience also and our earlier customers.

**Rishi:**

Okay. So, to cut the long story short, can you please explain, when we will be EBITDA positive sir at least?

**N. Srikrishna:**

As I said, I told you if you look at Q2 result if you see Q2 we were only 15 lakh loss with only one segment, Q2 if you see the result, in Q3 we had only students business happening or December now in Q4 we started well in January. Now the moment we have traveled resuming



in leisure and corporate, we are confident we will be EBITDA positive, because with only students business we can only be successful in five to six months. If we have to be 12 month successful we need to have the other segments picking up, that is Omicron going off, we are confident that if travel resuming and we are expecting a bumpers to summer season also, we are aware, unless there is a, if people don't travel, I cannot commit anything if people start traveling we definitely are seeing positive results.

**Rishi:** Okay. And one more thing sir we have requested your company secretary to put KMP notice Key Managerial Personnel notice that is not coming on the BSE. So, can I please have your email ID, I've got some specific queries which I don't want to discuss on this call sir. Can I have your email ID to send you the mail?

**N. Srikrishna:** Sure, we will communicate, you may send the email ID to our company secretary she will communicate and we'll have it done, we will send the email ids of the KMP.

**Rishi:** No, I've already requested earlier also by mail that you should put a KMP notice, Key Managerial Personnel notice every quarter on your website and on the BSE notices also. Where small investor like us should communicate. That is mandatory by law and e-mail id in both the mobile number or landline direct number should be written in that because you just write down one number, because a lot of time when the lockdown was there we are not able to contact you, just to understand the business nothing more.

**N. Srikrishna:** No problem we will share it across, this is the first you have shared in this communication. I don't know how it got missed out, we will do the needful.

**Moderator:** Thank you. The next question is from the line of MS Sheth from GT Advisors. Please go ahead.

**Nimish Sheth:** Hi, sir this is Nimish Sheth, Mr. Srikrishna, Dipesh good evening. Tough environment so congratulations we are happy that you're continuing with your digital initiatives, because that's what is actually going to help the company going forward. A couple of questions, are we pretty much done with the investments on the digital front the bulk of the investments, that's one. Two, along with these investments and the losses we have made in the past few quarters, how much cash do we now and are we looking to raise any capital, rights issue or anything any equity?

**N. Srikrishna:** So, to answer the first question major investments are done. As far as we have got all the platforms are live. Obviously, whatever expenses we are incurring, are more recurring in nature towards because we need to have a permanent digital team when we have a FinTech thing, we need a team. So that is all booked as regular expenditure only. Obviously the FinTech our revenues have to start picking up now because as I mentioned earlier also except for the one, I don't have leisure, corporate or anything at this juncture to talk off which is tangibly giving me a huge revenue stream, but we are hoping that in this coming year, there will be a good amount

of transitions where we can clearly see the digital is bringing in this sort of revenues, that part coming we are confident once things pick up as far as cash in the business, Dipesh?

**Dipesh Dharod:** Yes, with regard to cash in the business we still have about 13 to 15 crore in our business, hope we, minimize the losses and go back to the positive so that should not be a hindrance to the business.

**N. Srikrishna:** Yes, so coming back to requirements of capital, that's the fundamental thing. So, essentially, we have three legs of business, we have corporate business, we have wholesale business, we have retail and remittance business. Wholesale business is one which is capital intensive, but over the last four years, we have slowly moved away from that part of the business because as I said currency was something which we had slowly de-stressed on and during the pandemic time, since travel was not there wholesale segment is something which we are not really concentrated on. And going forward, our focus has moved firmly to the other segments of retail and remittances. So one area where I will not require capital much is wholesale, leisure and remittances our cash and carry business, except for certain specific customers, it is generally cash and carry, I get your payments first and do the remittances. So primarily a major part of it, I will be able to handle without much capital, because this is all retail model. There is one another model, which I do need capital over a period, we have always been discussing with the banks for increasing the limits, et cetera. So corporate business, when it picks up we may have a need for capital, but as I said it's gradually picking up. So that is something which we need to address that concern but also now to run our current business, we are adequate, because our primary revenue spinners, at least given for the next three to six months, we hope is only from the retail and remittance, because we want to, we are hoping for a faster leisure pickup than a corporate pick up, but corporate when it comes through, we will be discussing with the banks to see whether they can do, give us a 1:2 limit are something which they were earlier giving. So, that is the idea from a capital perspective and all, obviously the board is looking at it and there has been promoters also looking at it. So appropriately we will inform as in whenever there is a something is coming out there.

**Nimish Sheth:** Okay. And I have some questions, I often ask the same question maybe once or twice a year, we have a lot of old pending matters in service tax related, etc and in Supreme Court and whatever the litigation, what exactly is the status and any idea on clarity on when we might see some judgment and would do you think we have a fair chance of getting a positive?

**N. Srikrishna:** Actually, if you look at it. Now, Supreme Court matters, the case is getting listed, all the similar matters are getting listed. So let Supreme Court can take a view on that, whether its export or service doesn't all matter pertaining to our old 2005 to 2009 service tax issue. Now, it is getting listed in Supreme Court, obviously last couple of months, it was getting listed but it is not getting heard. So see from a company's side we will always be positive. But as I said, when a matter is subjudice, we cannot comment on a judgment. We feel that we have a strong case. That's what we believe in and that is why it is not up to the Supreme Court also because this is a larger issue

of how a certain matter is getting treated. From a company's perspective we feel we have a strong case. And if you look at it, we had won it now in the lower court.

**Nimish Sheth:** Yes, in the High Court you won it and now it's in Supreme Court.

**N. Srikrishna:** Yes, so we're confident but as I said when it's in court, we cannot decide which way it is going to go, court will decide.

**Nimish Sheth:** Finally, the matter is coming up for hearing soon. So hopefully.

**N. Srikrishna:** Yes, since last three months it has been coming up but it's getting postponed because of urgent hearing and all. There are couple of more pending matters like the insurance or another matter which is all getting delayed nothing because we are in fact one of the arbitration also we have won. But unfortunately, because of this COVID pandemic, courts have not been taking up the matter. In some of the matters we have done all the groundwork. But even today in Mumbai, urgent matters are only heard for the last couple of months. Now we are trying to push it through so that we can enforce the judgment and get back our money. These are all old matters which you are aware of, which we are now pushing through. And we are hoping that with things opening up and courts resuming and taking up all the matters we will things in our favor.

**Moderator:** Thank you. As there are no further questions, I now hand the conference over to the management for their closing comments.

**N. Srikrishna:** Yes, I would like to thank everyone for joining this call. In case you have any queries, please visit our website or you can reach out to our Company Secretary. Thank you once again and now request the moderator to conclude this call.

**Moderator:** Thank you. Ladies and gentlemen on behalf of Wall Street Finance Limited that concludes this conference call for today. We thank you for joining us. And you may now disconnect your lines. Thank you.