



RADIANTCMS/Q2/Earnings Call-Presentation/SE/2024-25

Date: 13.11.2024

To Listing Department, National Stock Exchange of India Limited C-1, G-Block, Bandra - Kurla Complex Bandra (E), Mumbai - 400 051	To Department of Corporate Services, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
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Scrip Code: 543732, Scrip Symbol: RADIANTCMS
ISIN: INE855R01021

Sub: Investor Presentation for the Earnings Call scheduled on November 14, 2024 at 11:00 a.m.

Dear Ma'am/Sir(s),

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of the "Earnings Conference Call - Presentation" on the Un-Audited Standalone and Consolidated Financial Results of the Company for the Quarter and Six Months ended September 30, 2024, which is circulated to the Investors / Analysts for the Earnings Conference Call scheduled on Thursday, November 14, 2024, at 11:00 a.m. (IST)

Kindly take the above details on record.

Thanking you,

Yours faithfully,

For RADIANT CASH MANAGEMENT SERVICES LIMITED

Nithin Tom
Company Secretary
A53056

Regd. Office : # 28, Vijayaraghava Road, T. Nagar, Chennai - 600 017.

Corporate Office : 'Radiant Building', No. 4/3, Raju Nagar, 1st Street, Okkiyam Thoraipakkam, OMR, Chennai - 600 096.
Tel. : 044-49044904 • Fax : 044-48523448 • E-mail : contact@radiantcashservices.com • Web : www.radiantcashservices.com



RADIANT
CASH MANAGEMENT SERVICES

Investor Presentation

Q2 & H1 FY25

Disclaimer

This Release / Communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise, which are forward looking statements.

These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability, change in international oil prices and input costs and new or changed priorities of the trade.

Radiant Cash Management Services Ltd ("The Company"), therefore, cannot guarantee that the forward-looking statements made herein shall be realized. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward looking statements as may be required from time to time on the basis of subsequent developments and events. The Company does not undertake any obligation to update forward looking statements that may be made from time to time by or on behalf of the Company to reflect the events or circumstances after the date hereof.



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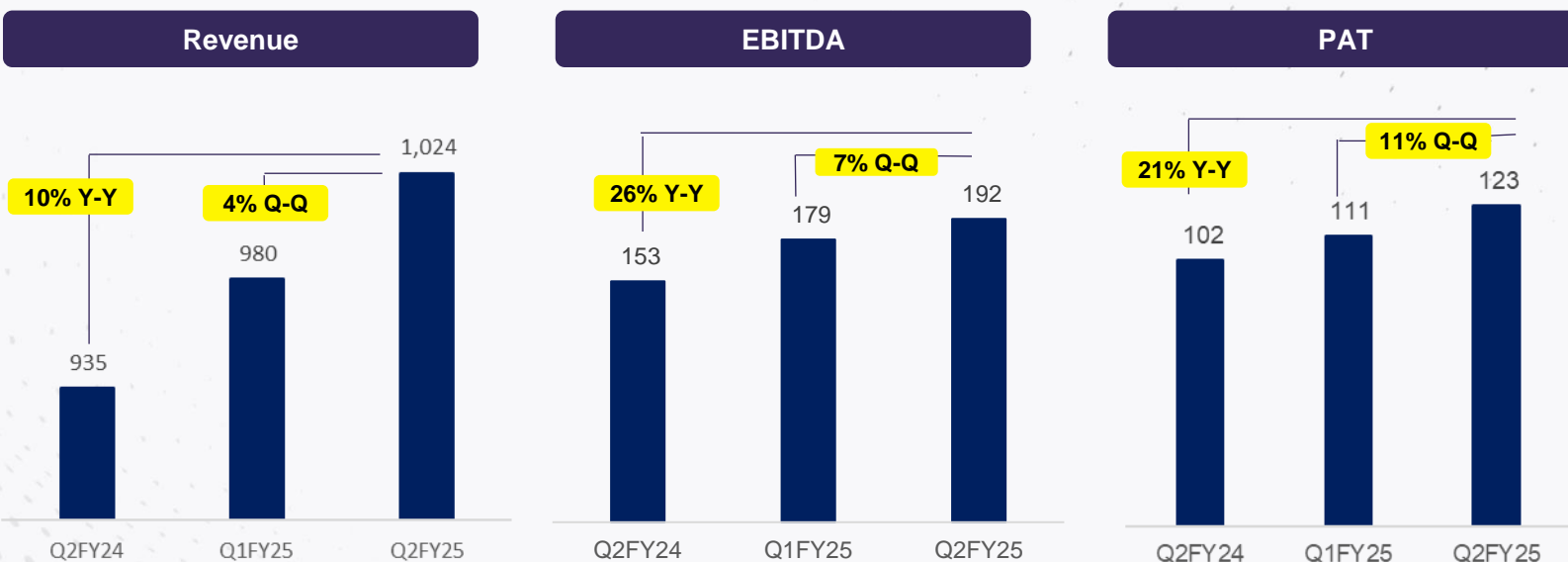
Summary Financials



01

Financial Performance

Q2FY25 Results – Financial Highlights



- Revenue growth improving though lower than historical levels on account of monsoons and sluggish overall economy
- EBITDA margins improved by 247 bps y-o-y and 43 bps q-o-q on account of strong cost control measures and narrowing of losses in RVL
- Lowest cash losses in the Industry continued in this Quarter

- Healthy ROCE and ROE continued in this quarter, among the highest in the industry
- New initiatives have started yielding initial results with healthy business outlook

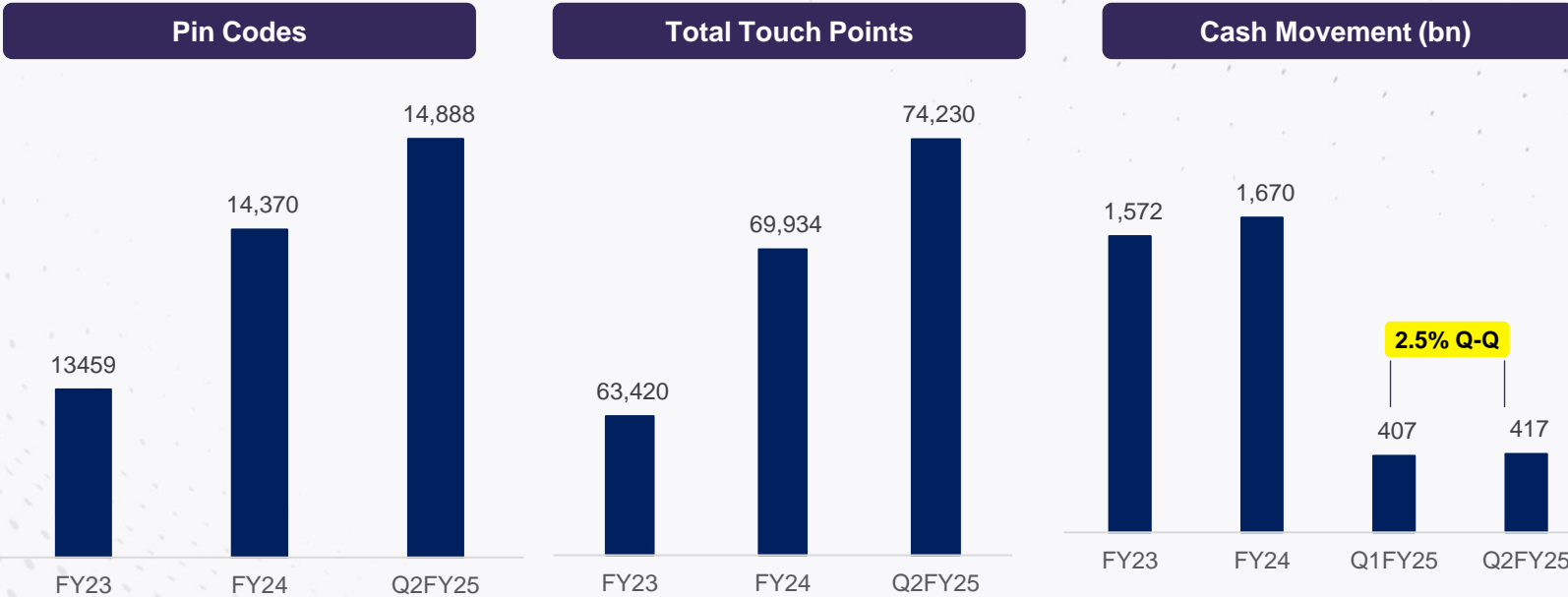


Financial Snapshot

1040 Total Income (₹ mn)	192 EBITDA (₹ mn)	18.5 EBITDA Margin (%)	123 PAT (₹ mn)	11.8 PAT Margin (%)	23.3 RoCE [^] (%)	19.5 RoE [^] (%)
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[^] Numbers annualized for the quarter ended 30 Sep 2024

Q1FY25 Results – Operational Highlights



- Added additional 518 pin codes to our coverage during the current year. Total pin codes covered now stands at 14,888
- Retail touch points coverage also increased by 4,296 (+6%) during H2FY25 to 74,230
- Total cash movement for 2QFY25 stood at INR 417 bn (+2.5% q-q); extended monsoons affected cash movement in this quarter
- We added a total of 13 new clients and 48 new end customers during this quarter



Operational Snapshot[^]

14,888
Pin Codes

74,230
Touch Points

8,904
Locations

417
Total Currency
Movement (₹ bn)

62
Revenue from
Tier 3+ cities (%)

840
Fabricated
Armoured Vans

9,873
Total Workforce

[^] All data for the quarter ended 30 Sep 2024. Cash Movement number is for Q2FY25

Revenues across Segments and Industries

SEGMENTS

Q2FY24		Q2FY25
66.3%	Cash Pick-Up & Delivery	60.7%
19.3%	Network Cash Management	20.5%
4.9%	Cash Processing	4.9%
7.5%	Cash Van Operations	11.1%
2.0%	Others	2.8%

INDUSTRIES

Q2FY24		Q2FY25
33.7%	BFSI	35.0%
13.9%	E-Commerce	15.6%
17.0%	Organized Retail	19.0%
6.1%	E-Com Logistics	3.4%
3.7%	Railways	3.6%
3.8%	Petroleum	3.2%
21.8%	Others	20.2%

Q2FY25 Results – Financials Snapshot

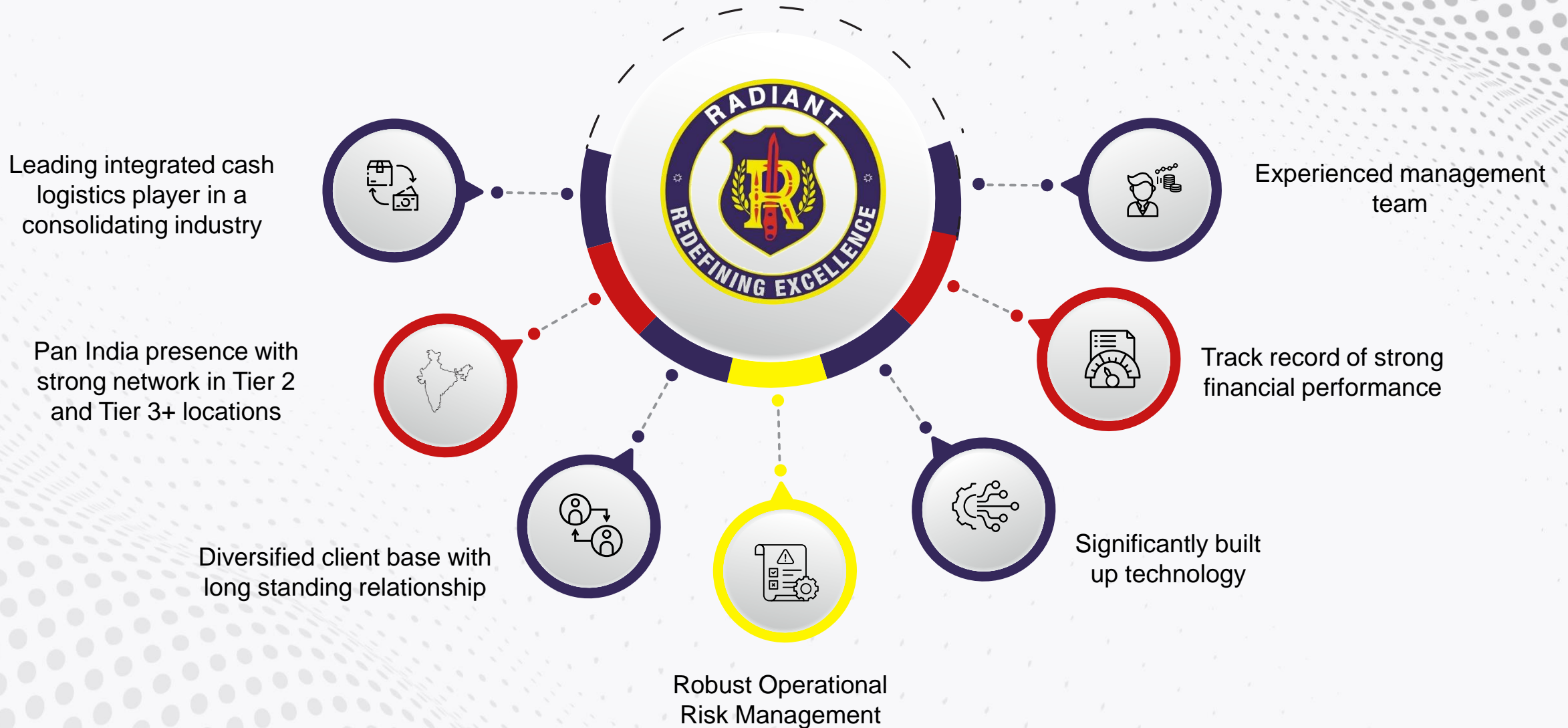
P&L INR mn	Q2FY25	Q2FY24	Y-Y(%)	Q1FY25	Q-Q(%)
Revenues	1024	935	9.5%	980	4.5%
Other income	16	19		13	
Total Income	1040	954	9.0%	993	4.7%
Employee Costs	197	178	10.6%	189	3.9%
As a % of Sales	18.9%	18.6%		19.1%	
Other Expenses	651	624	4.4%	625	4.2%
As a % of Sales	62.6%	65.4%		62.9%	
EBITDA	192	153	25.8%	179	7.2%
EBITDA Margin (%)	18.5%	16.0%	+247 bps	18.0%	+43 bps
Finance costs	3	1		5	
Depreciation	21	13		21	
Profit Before Tax (PBT)	168	138	21.3%	154	8.9%
Tax Expense	45	37		43	
Profit After Tax (PAT)	123	102	20.7%	111	10.5%
Net Profit Margin (%)	11.8%	10.7%	114 bps	11.2%	+62 bps



02

Business Overview

Company Overview



Business and Revenue Model



Cash Pickup & Delivery

Pick up cash from end-user outlet on daily basis or on request and deposit the cash in client's bank account. Also selectively deliver cash to end-user outlets based on request from banks

Fixed amount per point per month, based on the location of the outlet, and the daily cash limit.

Growth in number of points, particularly beat pick up points which are serviced every working day



Network Cash Management

Value added service in which cash is deposited in Radiant's bank account in locations where client does not have a bank branch and subsequently transfer funds electronically

Variable amount linked directly to the amount of cash deposited in Radiant's bank account

Growth of points in Tier 3+ locations, where bank branch presence is limited



Cash Processing

At end-user request, cash is counted and verified at the time of pick-up (as against sealed bag pick-up) for an additional fee

Fees directly linked to quantum of cash picked up

Growth in volume of cash handled



Cash Van Operations

Provide armored vans with full crew comprising driver, armed guards, cash custodian on short or long term lease mostly to banks for their own bulk handling of cash (between branches and vaults)

A fixed amount per van per month (or per day) with additional charges for excess usage of time and distance, if any.

Growth in currency in circulation, extent of currency replacement by RBI (culling out soiled notes and introducing fresh notes), branch expansion network of banks



Others

Includes Man Behind Counter (providing trained manpower at end user location for handling large volumes of cash in high footfall outlets), Vault operations where banks and others rent our vaults for storing of cash or valuables

MBC is billed as per headcount per month. Vault rent is billed based on quantum and value of storage, and its duration.

Service Description

Revenue Model

Growth Drivers

Pan India footprint with strong network in Tier 2 and Tier 3+ locations

Pan-India presence with a focus on non metro cities

Pan-India presence



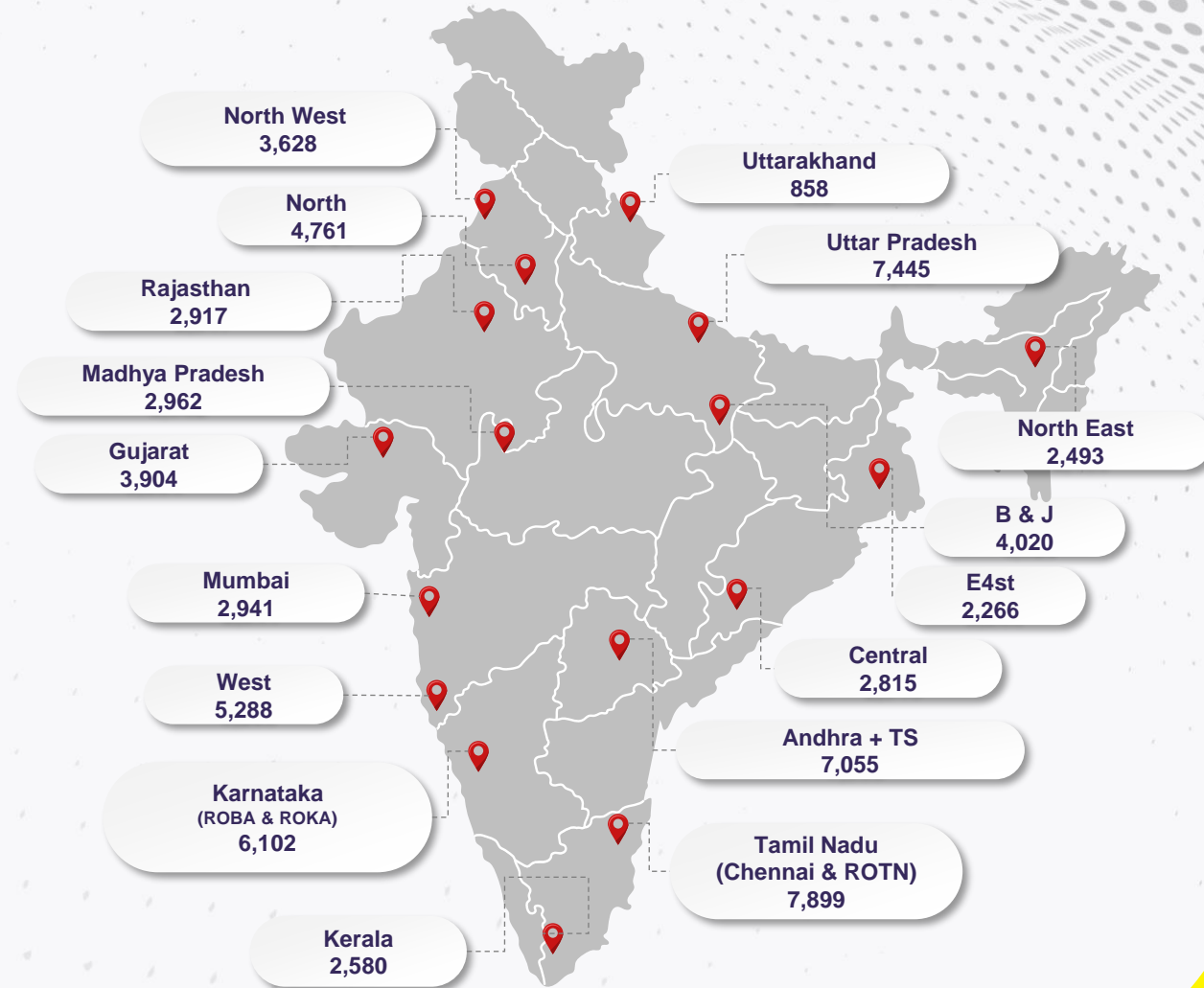
- 28 States and 8 Union Territories
- 74,230 touch points covering
- 14,888 pin codes across India

Strong presence in Key Markets



- Strong presence in fast growing tier 2 and tier 3+ markets
- 83.8% of Touch-points and 84.1% of Revenues coming from Tier2 and Tier 3+

Present at more than 72,110 touch points across India (ex Lakshadweep)



Regional data is as of 31 March 2024

Diversified client base with long standing relationship

Pan-India presence



Client base spans across India's largest foreign, private and public sector banks due to our extensive reach especially in Non-Metro cities

Strong company-client relationships



Bespoke Services, consistent delivery of quality and cost-effective services has helped cement long term client relationships

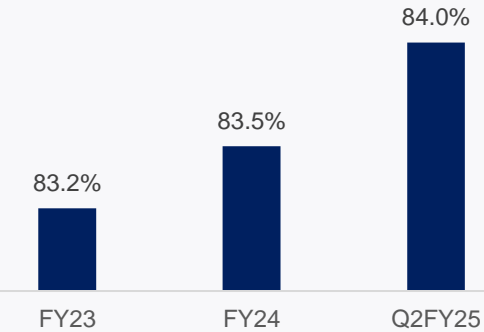
Wide service offerings



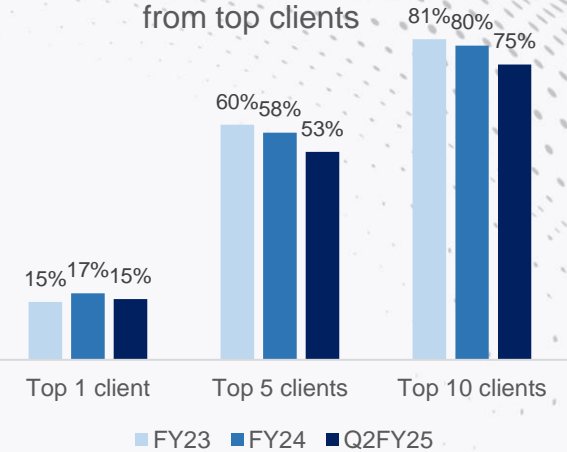
Ability to cross sell value added services such as network currency management and cash processing services

Revenue Contribution

Revenue from Tier 2 and Tier 3+ towns



Revenue contribution from top clients



Marquee Clients Steady Revenues, Improving Distribution



Robust Risk Management Framework



Rigorous focus on risk mitigation and prevention

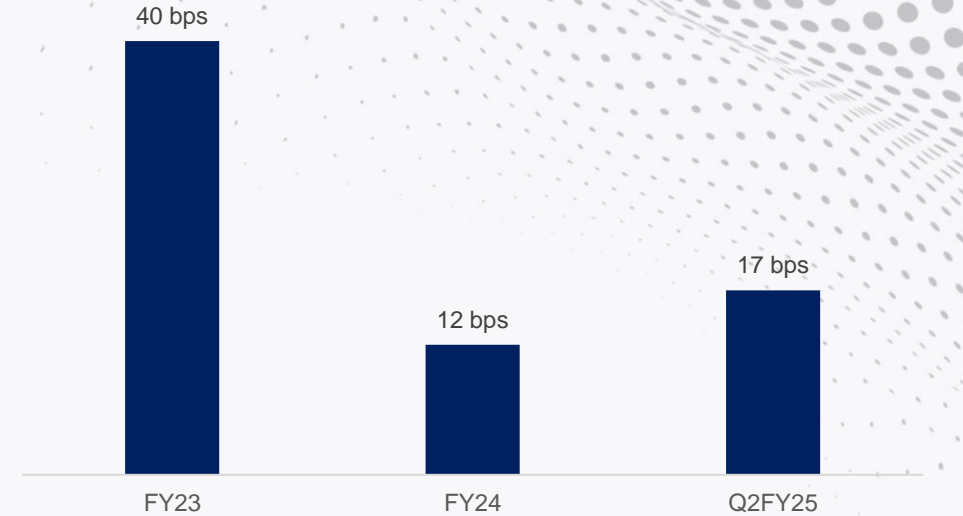
- 🛡️ A stringent risk management policy – **Combination of Human Touch and Technology**
- 🛡️ **Automation and API integration** ensuring real time tracking
- 🛡️ **Clear escalation framework** - Senior staff immediately dispatched to the incident for on-site resolution
- 🛡️ **Periodic audit and risk mitigation** measures



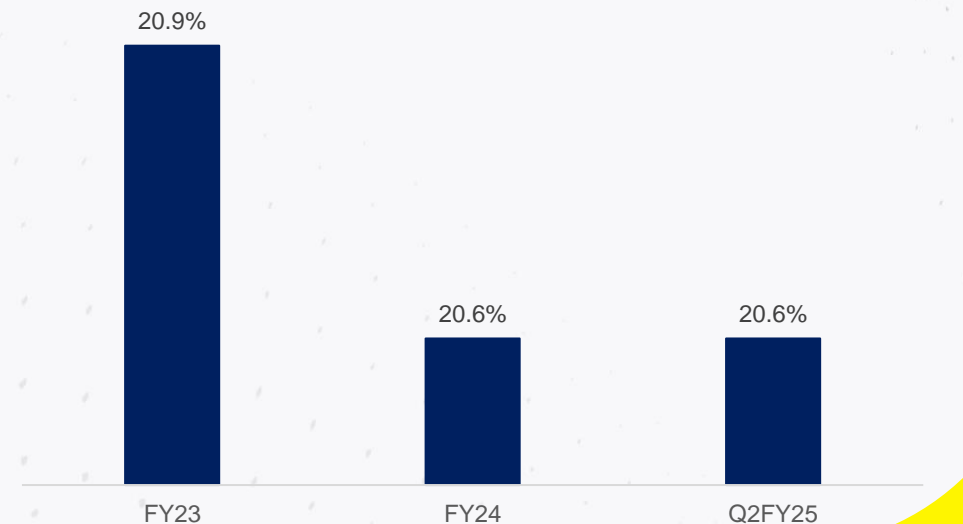
Strictly enforced by a strong risk management team

- 🛡️ **Risk management team of 136 employees**, which include 70 ex-armed forces personnel – headed by Director (Ops).
- 🛡️ Hiring subject to **rigorous background verification** followed by **police verification**
- 🛡️ **76 risk managers and 60 supervisors** (majority - retired junior commissioned officers from the armed forces)

Cash Loss as proportion of Cash movement (%)



Ex-Armed Forces Staff as % of Total Staff



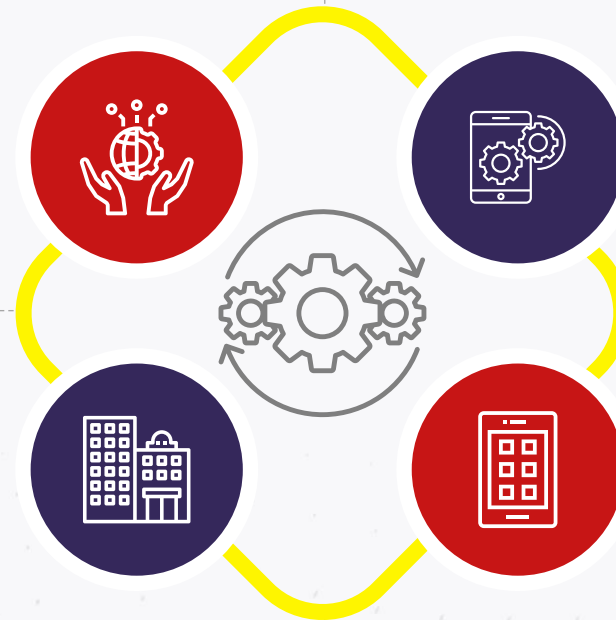
Significantly built-up technology to optimize Operations

Technology acting as a key differentiator

- Allows efficient handling of operations in a high-fidelity business
- Technology solutions help clients to increase their focus on their core competence without a need to make significant investments in operational infrastructure
- Enhanced partner engagement and experience through digitization of processes and augmentation of technology platforms

Key initiatives undertaken by the Company

- Implementation of CPIN/OTP during cash collection adding one more level of security
- Client view application provides direct access to their points and pick ups and thereby providing real time data
- QR code Scan to record cash collected thereby avoiding any manual intervention while picking up cash and any possible errors

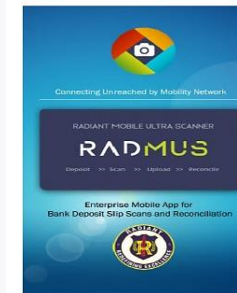


API integration with few clients

- Created API integration with a few of clients' ERP software, with a view towards providing a seamless experience to client
- Allows the clients and the end-users to track real time data for cash management which are outsourced to the company
- Added benefit of being able to continue to service the client and may act as a barrier to the client to switch service providers in the future

Mobile Applications

- Radmus App and Radiant Sandesh App for end-to-end reconciliation



CSR Initiatives

Nutrition, Education, and Sanitation are the key focus areas

CSR Projects

Ashraya Project

About

One of the flagship initiatives of RCMS. The project aims to provide free noon meals every day to the elderly and destitute. The project is running since 2011. RCMS is also associated with Chennai Roti Bank.

Progress

Mid-day meals provided to 1,258 elderly destitute in 32 villages in Chennai.



Projects undertaken in the past

Reciprocity Foundation: Contributed to the foundation for the Beach Cleaning project in Chennai.

Project Shiksha: Interest-free education loan to deserving students of Ashraya Project villages. More than 450 students benefited.

Radiant Sambandh: Provided support to the next of kin of physical casualties of the Armed Forces.





03

Key Performance Indicators

Key Performance Indicators

PARTICULARS	FY22	FY23	F24	Q2FY25
Customer Base				
Clients	65	89	153	179
End customers	2,675	3,242	3,346	3,574
Geographical Reach				
Pin codes	12,934	13,459	14,370	14,888
Locations	6,147	5,733	8,276	8,904
States	28	28	28	28
Union Territories	8	8	8	8
Total touch points	49,980	63,420	69,934	74,230
- Cash Pick - up points	45,082	59,941	66,454	72,777
- Beat pick - up points	41,151	56,902	62,434	68,002
- Request pick - up points	3,931	3,039	4,020	4,775
- Cash Delivery points	4,898	3,479	3,480	1,453
Split of touch points	49,980	63,420	69,934	74,230
- Tier 1	6,113	10,039	11,504	12,022
- Tier 2	8,285	13,278	15,156	16,647
- Tier 3+	35,582	40,103	43,274	45,561

PARTICULARS	FY22	FY23	F24	Q2FY25
Operational Assets				
Cash Vans	739	840	870	840
Strong rooms	16	15	12	12
Safes	28	28	33	33
Vaults	11	12	12	12
Cash Movement (Rs. Mn)				
Cash Movement (Rs. Mn)	13,03,804	15,72,187	16,70,442	4,16,714
Cash Burial (Rs. Mn)	5,38,603	5,49,558	6,30,736	1,81,057
Risk Management Parameters				
Ex - Armed Forces Employees	1,896	1,939	2,037	2,029
% of Ex - Armed Forces Employees (%)	22%	21%	21%	21%
Insurance Coverage (%)	100%	100%	100%	100%
Cash Loss (Rs. Mn)	18.85	63.38	20.46	7.15
Cash Loss as % of Cash movement (%)	0.0014	0.0040	0.0012	0.0017
Insurance Premium Paid (Rs. Mn)	37.33	44.17	56.25	14.30



04

Team

Board of Directors



Col. David Devasahayam
Chairman and Managing Director

- Founder with a B.Sc. from JNU, M.Sc from University of Madras, PG from the Defense Services Staff College and Owner/President Management Program at Harvard Business School.
- Over 24 years of experience in the Indian Army and over 16 years of experience in the Company**



Dr. Renuka David
Whole Time Director

- Founder Director with an MBBS from Bharathiar University, a Ph.D from The American University for Global Peace in USA.
- Previously associated with Apollo Hospitals, Thirunal Hospital and the Assam Rifles. **16 years of experience in the Company.**



Mr. A.P. Vasanthakumar
Nominee Director

- Nominee Director of Ascent Capital with a B.Tech from Bharthiar University and an MBA from Bharathidasan University.
- Associated with multiple companies in the Ascent Capital portfolio.
- Over 19 years of experience in PE & venture capital**



Ms. Jayanthi, I.A.S (retd)
Independent Director

- Independent Director with a B.A and M.A in Politics and Public Administration from the University of Madras.
- Over 35 years of experience in the Indian Administrative Services and has held various positions in the Government**



Mr. Ashok Kumar Sarangi
Independent Director

- Independent Director with a B.A Political Science from Sambalpur University, Master's Degree of Arts in Political Science as well as a M.Phil from JNU.
- Over 32 years of experience with the RBI and retired as Chief General Manager**



Lt. Gen. (Retd.) Devraj Anbu
Independent Director

- Independent Director with a B.A. from the National Defence Academy, JNU, M.Sc from the University of Madras and M.Phil in Defence and Management from SDMS.
- Over 35 years in the Indian Army in senior positions and has been decorated with several medals in the course of his career**

The experience of the Board and senior management team has enabled the Company to develop a strong understanding of industry-specific aspects of the business and operations.

Management Team

Col. Benz K. Jacob
Chief Operating Officer

Over 28 years of experience in the Indian Army and over 14 years in the Company Bachelor degree in Arts from JNU, Delhi and a PG in Defence Studies from the University of Madras

Wg. Cdr. Shashank Naidu
Director (Audit)

Over 26 years of experience in the Indian Army and over 16 years in the Company Master's degree in Mathematics from Osmania University, a PG in Business Administration and a PG from the Defence Services Staff College, Wellington

Lt Gen ST Upasani Retd
Radiant Valuables Logistics (RVL)

Served in the Army for 40 years with a distinguished record. Bestowed with the two highest awards viz the Param and Ati Vishisht Sewa Medals. Held various prestigious appointments at the execution and strategic levels in operations and logistics.

Cyrus Shroff
Chief Marketing Officer

Over 25 years of experience in Financial Services Previously associated with Standard Chartered Bank and the Bank of Tokyo-Mitsubishi UFJ Bachelor's degree in Commerce from the H.R College of Commerce and Economics, and Diploma degree in Management Studies from the JBIMS, University of Mumbai

T.V. Venkataramanan
Chief Financial Officer

Holds a degree in CA, CS and ICWA Previously associated with Tamil Nadu Newsprint and Papers, Takata India Hanil Lear, India Japan Lighting and Ponds. Associated with the company since Aug 2021

Alexander David
General Manager - Operations

Over 11 years of experience with the company Bachelor's degree in mechanical engineering from Anna University and a Master's degree of science in Management from the Imperial College, London.

Karthik Sankaran
Chief Technical Officer

Over 16 years of experience in IT Previously associated with Pelluci, Learning Systems, eFunds International, among others Bachelor's degree of Engineering in Electronics and Communication Engineering from the Madurai Kamaraj University

Nithin Tom
Company Secretary

Holds a degree in CMA and CS. Previously associated with the Taj Group Companies located in South and has handled the Secretarial & Compliance portfolio for Listed and Unlisted companies.



05

Historical Summary Financials

Income Statement

Particulars (Rs million)	FY21	FY22	FY23	FY24
I Revenue from operations	2,217	2,860	3,549	3,845
II Other income	25	10	26	58
III Total Income (I + II)	2,242	2,870	3,575	3903
IV Expenses				
Employee benefits expenses	390	497	605	731
Finance costs	20	37	9	12
Depreciation and Amortisation expenses	27	38	45	61
Other expenses	1,354	1,778	2,073	2,481
Total Expenses (IV)	1,791	2,349	2,732	3,285
V Profit Before Tax (III - IV)	450	521	843	618
VI Tax Expense				
- Current tax	109	141	216	161
- Tax relating to previous years	1	-	(3)	6
- Deferred tax charge / (credit)	16	(3)	3	(4)
Total Tax Expense (VI)	126	138	216	163
VII Profit for the Year / Period (V - VI)	324	382	627	454
IX Total Comprehensive Income for the Year * (VII + VIII)	325	377	631	451
X Earnings Per Equity Share (Face Value of INR 1 each)				
(1) Basic (in INR)	3.20	3.77	6.11	4.26
(2) Diluted (in INR)	3.20	3.77	6.11	4.26

Sources and Application of Funds

Particulars (Rs million)	FY21	FY22	FY23	FY24
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	10	101	107	107
(b) Share Application Money				
(c) Other Equity	1,261	1,297	2,193	2,430
Total Equity	1,271	1,398	2,299	2,537
Liabilities				
Non - Current Liabilities				
Financial Liabilities				
(i) Long Term Borrowings	15	13	9	-
(ia) Lease Liabilities	18	8	-	56
Total Non-Current Liabilities	33	21	9	56
Current Liabilities				
(a) Financial Liabilities				
(i) Short Term Borrowings	96	255	269	256
(ia) Lease Liabilities	12	12	9	14
(ii) Trade Payables				
a) Total Outstanding Dues of MSME ;	6	3	4	7
b) Total Outstanding Dues of Creditors other than MSME	25	11	4	6
(iii) Other Financial Liabilities	102	120	157	177
(b) Other Current Liabilities	57	65	35	28
(c) Provisions	1	18	-	13
(d) Current Tax Liabilities (Net)	20	3	1	-
Total Current Liabilities	318	488	480	501
Total Liabilities	350	508	489	557
Total Equity and Liabilities	1,621	1,906	2,789	3,094

Particulars (Rs million)	FY21	FY22	FY23	FY24
ASSETS				
Non - Current Assets				
(a) Property , Plant and Equipment	95	132	126	333
(b) Capital Work in Progress	-	-	19	13
(c) Intangible Assets	16	9	6	8
(d) Financial Assets				
(i) Investments	-	-		112
(ii) Other Financial Assets	32	39	84	72
(e) Deferred Tax Assets (Net)	14	19	14	20
(f) Non-Current Tax Asset (Net)	14	14	9	13
(g) Other Non-Current Assets	8	0	3	9
Total Non-Current Assets	179	213	262	580
Current Assets				
(a) Financial Assets				
(i) Trade Receivables	701	785	702	771
(ii) Cash and Cash Equivalents	538	702	980	1,297
(iii) Bank Balances other than (ii) above	136	91	738	336
(iv) Other Financial Assets	11	70	18	16
(b) Other Current Assets	57	44	89	93
Total Current Assets	1,442	1,693	2,527	2,513
Total Assets	1,621	1,906	2,789	3,094



RADIANT
CASH MANAGEMENT SERVICES

THANK YOU



Website

www.radiantcashservices.com



Email

investorrelations@radiantcashlogistics.com
kompass@radiantcashservices.com



Contact

+ (91) 44 – 4904 4904