



RADIANT
Cash Management Services Limited
(Formerly known as Radiant Cash Management Service Pvt. Ltd.)
(An ISO 9001-2015 Company)
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RADIANTCMS/Q1/EarningsCall-Transcript/SE/2024-25

Date: 12.08.2024

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

Scrip Code: 543732, Scrip Symbol: RADIANTCMS
ISIN: INE855R01021

Sub: Transcript of the Earnings Conference Call on the un-audited financial results for the quarter ended June 30, 2024, held on August 08, 2024

Dear Ma'am/Sir(s),

Pursuant to Regulation 30 and 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the "Transcript of the Earnings Conference Call" for the quarter ended June 30, 2024, held on August 08, 2024, for your information and records.

Kindly take the above details on record.

Thanking you,

Yours faithfully,

For RADIANT CASH MANAGEMENT SERVICES LIMITED

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RADIANT
CASH MANAGEMENT SERVICES

“Radiant Cash Management Services Limited
Q1 FY'25 Earnings Conference Call”

August 08, 2024



MANAGEMENT: **COL. DAVID DEVASAHAYAM – CHAIRMAN & MANAGING DIRECTOR**
MR. T.V. VENKATARAMANAN – CHIEF FINANCIAL OFFICER
COLONEL BENZ – CHIEF OPERATING OFFICER
MR. ALEXANDER DAVID – GENERAL MANAGER (OPERATIONS)
MR. MUTHURAMAN – DIRECTOR (ADVISOR), STRATEGY AND INVESTOR RELATIONS

MODERATOR: **MR. SARVESH MUTHA**
– ANTIQUE STOCK BROKING LIMITED

Moderator: Ladies and gentlemen, good day and welcome to the Radiant Cash Management Services Q1 FY25 Earnings Conference Call hosted by Antique Stock Broking Limited. As a reminder, all participants' 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 touch-tone phone. Please note that this conference is being recorded.

And I'll hand the conference over to Mr. Sarvesh Mutha from Antique Stock Broking Limited. Thank you and over to you, sir.

Sarvesh Mutha: Yeah, thank you, Neha. Good morning, all. We welcome you all to Q1 FY25 Earnings Call of Radiant Cash Management Services. We have with us today the entire management team. So, Colonel David Devasahayam, CMD, sir, Mr. T.V. Venkatramanan, CFO, Colonel Benz, COO, Mr. Alexander David, GM Operations, and Mr. Muthuraman, Director, Advisor, Strategy and Investor Relations. Without further delay, let me hand over the call to David, sir, for his opening remarks, post which we can start the Q&A. Over to you, sir.

Col. David Devasahayam: Thank you very much. Good morning, ladies and gentlemen. Thank you for joining us today for Radiant's Investor Call.

Radiant continued on its path of consolidation in Q1 FY25 with greater focus on cost optimization and improvement in profitability, which has resulted in 24% improvement in profit after tax in Q1 FY25 over the previous quarter. I would like to give a quick update on the five key strategic initiatives taken by the company during the previous year. Kochi-based fintech firm Acemoney, which we acquired last year, has been rapidly expanding its footprint with twin focus of onboarding merchants across the country on its digital payment infrastructure and improving transaction volumes through its network.

Acemoney is also complementing Radiant in its core business of retail cash management with its state-of-the-art digital solutions and a strong network of over 8,000-plus merchants as on date. Diamond, bullion and jewellery segment, which we entered into last July, is on a path of consolidation and profitable growth. Greater focus on profitable niche segments, drawing on synergy benefits of the core retail cash management segment and steady client additions have helped this segment to improve its profitability.

As indicated in our last call, we are well on course to achieve break-even in this segment in the current and next quarters. The third strategic initiative of increased focus on direct clients has shown very good results. From less than 2% at the time of our listing, today this segment accounts for 9% of our revenues.

The market potential for this segment is enormous and holds strong promise for continued growth of our core business in the medium to long term. Our deployment of 220 cash vans acquired using the IPO proceeds have been completed. These are fully deployed both in our core business of retail cash management as well as in cash van operation segment, which continues to exhibit healthy growth and profitability.

Lastly, Radiant Insta Credit that we launched last year has been well received by the market. This product has enabled us to target a much wider market, which was easy to untap, providing significant opportunities for growth in the medium to long term. While each of these strategic initiatives have matured well and are poised for a healthy growth, the core business continues to face certain small headwinds.

However, most of it has abated now, as can be seen from sequential revenue growth in Q1 over Q4 last year, despite this being a seasonally low quarter and cash throughputs being impacted by a prolonged national election. Several corrective actions taken by the company, including strident cost control measures, has resulted in improvement in profitability for this quarter over Q4 last year. EBITDA margins have improved from 15.4% in Q4 FY24 to 18% in Q1 FY25. Our widest network covering 14,500 plus PIN codes, our strong risk management practices as reflected in the lowest cash losses in the industry by a wide margin, and strong technological backbone covering every aspect of our operations, continue to remain a core strength.

We continue to maintain the highest return on capital and return on equity in the industry. I would like to reiterate our priorities to restore the revenue growth to historical trend levels in the current year through these five strategic initiatives and offering a wider range of technological solutions to our clients.

We are excited about the journey ahead. As always, we remain committed to providing transparent updates on our progress and answering any questions you may have. I would now request Mr. Alexander David to speak about the progress achieved in Acemoney, followed by Mr. Venkatramanan, our CFO, to speak about the financial performance and the key performance indicators. It's over to you, Alex.

Alexander David:

Thank you, sir. Good morning, everyone. I would be presenting the update on Radiant Acemoney, our fintech subsidiary. I am happy to inform you that Radiant Acemoney has rapidly scaled up its operations and has achieved positive EBITDA for this quarter within eight months of our acquisition. I would like to present a few numbers to put our scale of growth in perspective. We have on boarded over 13,619 merchants as on date, as against 3,287 at the time of our acquisition.

Our transaction volumes this quarter were at 75.43 crores compared to 57.76 crores in the last quarter. We have a presence in 14 states now, against 3 at the time of our acquisition. We clocked revenues of INR21 million for this quarter as against INR35 million for the full year last year. But we are still in a very nascent phase of growth.

We have a large ambition to increase our footmen of POS machines across the hinterland, covering 100,000 merchants over the next seven to eight quarters. We also offer a wide rate of transactions and services to these retail outlets that were hitherto not part of the fast-growing digital economy of India. Radiant and Acemoney are working closely together to achieve the intended synergy benefits of this acquisition.

As mentioned in our last call, the synergy benefits have started occurring to both as we capitalize on Radiant's vast network of C's and Acemoney's rich experience in FinTech. FY25 appears to

be a very promising year for both revenue growth and profitability of Acemoney. We will continue to provide regular updates on the progress of Acemoney to our investors as we scale greater heights in the coming months.

I would now request our CFO, Mr. Venkatramanan, to present our financial performance.

T.V. Venkataramanan:

Thanks for joining us on this investor call today. I will present the company's key performance indicators and financial performance for the quarter ended June 30, 2024. Business Performance During the quarter, we added 13 new clients, 180 new end customers, and 2,179 new retail touchpoints.

In this quarter, we handled 0.41 trillion of cash in line with our recent past quarters. Today, we service over 72,000 touchpoints, covering 14,500-plus pin codes across 8,000 locations, and continue to have the widest network in the industry. In this quarter, the overall volume growth was muted on account of extended election season, which impacted cash performance.

Despite this, we witnessed good growth of 11% in BFSI sector over same quarter last year and 9.5% growth in petroleum sector. We also witnessed healthy growth of 44% in the cash management operations segment. However, e-com logistics witnessed continuous negative growth, as mentioned in our earlier earnings calls, which has muted our revenue growth to 4.4% in this quarter over same quarter last year.

We have witnessed strong growth in our direct client segment, which has more than doubled in revenues in this quarter over the same quarter last year. Our recent launch of Insta Credit is also being received very well in the market and will help improve the revenue growth in the coming quarters. Coming to the financial performance, total standalone revenues for Q1 of FY '25 were INR993.1 million representing a growth of 4.4% over the same period last year.

EBITDA margins for the quarter stood at 18.04%, an improvement of 260 basis points over the previous quarter. The sharp movement in EBITDA margins were achieved on account of 1. Strong focus on cost control across all cost states, particularly with respect to van operations. 2. Consolidation of routes in RVL, resulting in much lower losses in this quarter over the previous one.

The management is confident of further improvement in margins in the remaining quarters of the current year as well. The return on capital employed for the quarter was 21.1% annualized. Investment in cash funds to the tune of INR240 million last year and the drop in EBITDA margins, as discussed earlier have contributed to a reduction in ROCE. Return on equity for the quarter was 17.1% annualized. I would like to highlight that the ROCE and ROE for Radiant continues to be among the highest in the industry because of our strong and clean balance sheet, very low cash loss levels, high fixed turnover ratio and strong working capital management.

In summary, the quarter has been a healthy improvement in EBITDA margins over the previous quarter, despite a muted growth due to extended election cycle. With the new initiatives bearing fruits as highlighted by our CMD in his opening remarks the focus of the management is now on building new long-term levers for growth with a more diversified revenue profile and robust profitability. I now hand over the floor to Sarvesh for the Q&A session.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Sohail Halai from Antique Stock Broking Ltd. Please go ahead.

Sohail Halai: A very good morning, sir. And thanks for the opportunity. Sir, two or three questions from my side. One is in terms of the core business that is the cash pickup and delivery. If you could just help us understand, if I look at the last 6-7 quarters because of various challenges, the revenue is flat. When can we expect this business to actually start growing on a quarter-to-quarter basis, sir? That is one.

Management: You can complete the questions, Sohail. We will answer all of them.

Sohail Halai: Second, it would be basically, sir mentioned in terms of the DBJ business that probably we are reaching a break-even. If you could just give some more colour in terms of what is the kind of growth that we are expecting for the whole year and some quantitative data around it. And third would be around cash van operations, where post-deployment of new vans, we have seen improvements in terms of the revenue there and how sustainable it is and probably what are your expectations from the cash van operation business for the whole year?

Management: Thanks, Sohail, for the questions. I will address one by one. The first one is the revenue growth from the core business. As Colonel mentioned in the earlier opening remarks this particular quarter has been particularly affected because of this extended election cycle. Despite that, there has been growth in revenues over the same quarter last year and the specific segments of direct clients have shown remarkable growth. And we believe medium to long-term growth will continue from our direct clients.

So we are taking significant measures on that. And actually, if you see the number of point addition also, this quarter has seen 2,100 plus ads. That's about 700 points per month. So it has gone down to as low as 400, 450. It has recovered. So we are on our path to trendline growth. And we believe over the next few quarters, we should be able to restore to the long-term guidance of 18% to 20% growth per annum not just only from the core business but from each of these new initiatives that we are taking. The second question on DBJ. So DBJ, unfortunately, we have not put out any quantitative metrics as yet.

It's still a very small business. And we had gone through a certain consolidation, as CMD mentioned in routes and to focus more on profitable growth rather than just the top-line growth numbers. Once it reaches a certain critical volume, we will put out the quantitative metrics for that as well.

But as we speak now, the DBJ business is not likely to account for more than 3%, 4% of our revenues for the full year. The third question is on cash-run operations. This segment has been growing fairly healthy. And you said that whether this growth is sustainable or not. As I mentioned in the earlier calls, we are a very small player in this segment. The market is fairly large. And we are very particular about selecting only profitable routes. And we are confident that this segment will report more than average growth for the next several quarters to come, which will help us meet the overall revenue growth targets. Hope this answers your questions. Thanks.

- Sohail Halai:** Yes, thanks. Just a follow-up on this in terms of the cash pickup and delivery. Is it that the market has stabilized in terms of the pricing? Or we are still seeing that there are competitive pressures? And how is the pricing behaving in this segment?
- Management:** No. I think the worst is behind us. As you can see, our improvement in profitability is on account of both stable pricing and our cost control measures. But there is no significant. Of course, there could be specific mandates where we may be haggling. But otherwise, overall, it is a healthy scenario at this point of time.
- Sohail Halai:** So, in general, one can assume that the volume growth and the revenue growth would be in sync because the pricing would more or less be stable now?
- Management:** Absolutely. Yes.
- Sohail Halai:** Okay, sir. This is very helpful. If anything, I'll come back to you. Thank you.
- Moderator:** Thank you. The next question is from the line of Sudip Samanta, an individual investor. Please go ahead.
- Sudip Samanta:** Good morning, sir. Actually, I have a very basic question. Last conference call, you guys told us like our EBITDA margin is about 25%. So, we speak on that or no? Here, at least we make near about 20% to 25% EBITDA margin. That would be our first question.
- Col David Devasahayam:** Okay. And your subsequent question?
- Sudip Samanta:** Sir, actually, I'm just concerned about our growth. Because I just follow this company more than two years after listing. So, growth is totally moderate, sir. It would be near about 10%. You always commit 18% to 20%. That's why. I'm just a little bit worried. We can achieve that much of growth or not? These are the two questions we have, sir. Please explain a little bit.
- Col David Devasahayam:** Now, just to answer your question in my presentation, I had covered the five areas that we are now targeting and moving strongly ahead in. And we are focusing on growth in the medium to long term. And if you find that our EBITDA was at a certain level and it has come down, it is because of the additional expenses that we are incurring to make these initiatives possible.
- So, one of our key thought processes was that post-listing, we should invest into these additional initiatives over the last year so that these for us translate into suitable growth areas in the coming time. So, we have spoken about, if you remember my earlier listing, which I had spoken, this year we are looking at somewhere in the range of growing, in the range of 15% to about 18% is what we spoke about.
- So, we will continue to aspire for that and move in that direction during the course of this year. I personally am extremely confident that these are very important measures that we have taken and they will achieve the requisite outcome that we are hoping for.
- Sudip Samanta:** What about our margins, sir? Could you please explain a little bit about margins? That is our main concern, sir.

Management : Yes. So, as you could see, sir, Col. David already shown a decent improvement in EBITDA margins between last quarter and this quarter, about 24% growth impact. The margins are on its way to improve further. As we had mentioned earlier, medium term, we should be able to restore our margins to the historical levels over the next three to six quarters.

Sudip Samanta: Okay, sir. Thank you so much, sir.

Col David Devasahayam: All the best.

Moderator: Thank you. The next question is from the line of Rohit from Samatva Investments. Please go ahead.

Rohit: Hi. Good morning and thank you for the opportunity. I have just one question on the direct client part. I just wanted to know in terms of pricing, in terms of profitability margins, how are they compared to our traditional mode of business through banks?

Management: Actually, there is not much difference on the pricing. As I said, profitability cannot be measured at individual client levels. This is a fixed cost and operating leverage model. But the pricing is fairly similar across both direct clients as well as bank. In fact, we prefer more business to come from banks. But huge growth opportunities exist in direct clients as well. That's why it is one of the key strategic initiatives for us now.

Rohit: So, are banks actually decreasing the services that they provide to many of their customers? So, how is the, de-growth from the bank side? So, are you seeing a major de-growth happening from the bank side or it is stabilised?

Col David Devasahayam: Just to further add on to what Mr. Muthuraman says, 67% of the banking sector is a nationalised banking sector. And in that, only one bank as of now is providing retail cash management services. So, all these customers and clients who are dependent on the rest of the banks and co-operative banks, they require these services as much.

So, therefore, our target when we are going for direct clients is these customers who require the services. And it is a huge opportunity by itself. But converting them we are finding is taking time because it is a new orientation for them. So, that is how we are moving into this segment. And there has been a growth from 2% to 9% in this. And I personally feel that there is going to be far greater gains in the time ahead.

Moderator: It seems like we have lost our current participants. So, we will take next questions from the line of Raju Barnawal from Antique Stock Broking Ltd. Please go ahead.

Raju Barnawal: Hi, thanks for the opportunity. So, my question is on Ecom Logistics shares. So, if you look at the segment by break-up, Ecom Logistics shares have come down from 6.2% in the last quarter to 3.7% in the current quarter. So, can you throw some colour on that? Are we still seeing competitive pressure in that segment?

Management: The challenge or the impact in Ecom Logistics, we had mentioned in our earlier calls as well, it is restricted to only remote locations with low cash volumes where alternate modes of cash pick-

up are being explored. So, we have geared up our technology solution to address this issue. We firmly believe the worst is behind us on this and we expect this segment to start showing positive growth in the coming quarters.

Raju Barnawal: Yes, sure. Thank you.

Moderator: Thank you. The next question is from the line of Rushil Dedhia from Antique Stock Broking Ltd. Please go ahead.

Rushil Dedhia: Thank you for the opportunity. I have two questions. CMS has also started doing collection efficiency for banks, collection of the EMIs and everything because of the great network. So, we also have a similar amount of network. So, do we also plan to start on doing this?

Management: We do have some initial conversations on these clients. We will explore that and update the shareholders in the coming quarters.

Rushil Dedhia: My second question is in regards to the gold bullion jewellery business. How is that doing as of today?

Management: As Chairman mentioned, we are on a consolidation path there. Consolidation and profitable growth. We do expect it to achieve break-even in the current quarter and the next quarter.

Rushil Dedhia: What about the Fintech business that we have?

Alexander David: Yes, it is growing. It is still at the nascent stage. But we have improved considerably over the last quarter. And it is on path. Still at a very nascent level, but it is growing steadily.

Rushil Dedhia: Thank you, sir.

Moderator: Thank you. The next follow-up question is from the line of Sohail Halai from Antic Stock Broking Ltd. Please go ahead.

Sohail Halai: Good morning, sir. And thanks for the opportunity again. So, I just wanted to actually understand from you in terms of your vision, the various initiatives that you have taken in terms of adding the strategic businesses. Right now, the contribution of those businesses are small.

But having you invested in that, how do you think that the revenue mix would shape up probably 2 years to 3 years down the line? Any ballpark colour that you could give that the ace money or the digital business would be contributing vast percentage of the business. And probably gold, bullion and jewellery would move to that. And probably some sense in terms of EBITDA margin over a period of 2 years, 3 years. Not asking from a quarter-to-quarter basis.

Col David Devasahayam: Yes, thank you, Sohail. I just like to say that we are, our target is that year-on-year, our growth should be in the range of between 14%, 15% to 18% to 19%. And each of these individual initiatives has got the potential of exponential growth. So, without unnecessarily adding to the speculation of anything, I'd like to say that I feel very confident that this kind of sustained growth year-on-year will be very achievable as we achieve traction in each of these individual initiatives which I've outlined.

Sohail Halai: Okay, sir. And sir, in terms of from the trajectory perspective, as you mentioned that a DBJ business would be achieving the break-even. And second, in terms of the Acemoney is also contributing right now. And the pricing pressure in terms of the core business has actually stabilized now. So, in terms of incrementally the growth that will come, should we see an EBITDA margin expansion along with that growth?

Management: Yes, Sohail. As you said, our core business is high operating leverage business. And each of these probably, except some small part of Acemoney, each of these have the very similar characteristic of a fixed cost and significant incremental gross margin business. So, as the revenue grows, our aim is to restore the EBITDA margins to the previous level.

Sohail Halai: And if I look at probably the expenses breakup in terms of employee expenses and other expenses, I look at it that probably in terms of employee expenses have stabilized around INR19 crores per quarter. And in terms of other expenses, INR62 crores, INR63 crores. So, employee expenses perhaps would not go up significantly and would be slightly lower than the volume growth. And so is other expenses, is that the way to look at it in terms of future?

So, in other words, happy fully invested and there would be no incremental addition. And probably expenses curtailment that we have seen this quarter would continue leading to the margin expansion?

Management: Absolutely. Whatever is the, so to say, the P&L based investments that has to happen or most of them have happened. Acemoney has achieved break-even EBITDA positive already. And DBJ, we are expecting EBITDA positive in this and next quarter. So, the investment phase is already over. So, as the revenue grows from here, we are expecting a steady improvement in EBITDA margins.

Sohail Halai: Okay. And sir, in terms of the linkage in the other two businesses, I understand the core business, but the linkage in the other businesses as compared to the expense and the volumes, how is that? So, for example, in terms of DBJ business, if it grows from 1x to 1.2x, in what proportion would the cost grow? And similarly in Acemoney, any indication there?

Management: So, DBJ is too small to make an overall impact on the entire company at this point of time. But even that business has a high fixed cost and a high incremental margin business. So, direct cost in a steady state could be less than 60% of the revenues.

Sohail Halai: Okay. Thank you, sir

Management: Acemoney has more the components. Acemoney also has a fairly similar profitability metric on a combined basis for both expansion of network and transaction volumes.

Sohail Halai: And sir, just one more thing from the core business perspective, we were actually looking in terms of moving from fixed to fixed and variable in some of the cases. So, how much proportion of the business would be fixed and are we shifting anything into variable? What would be a broader mix there?

- Management:** The exact details of that is competitive information Sohail, but the shift has already happened and you are seeing the effect of it already in the quarter. We don't expect any further change in that mix from here on.
- Sohail Halai:** Okay, sir. Thank you. Thank you and all the best, sir. And thank you for giving us this opportunity to work with you. Thanks a lot.
- Col David Devasahayam:** Thank you, Sohail. Good to hear from you.
- Moderator:** Thank you. The next question is from the line of Sudip Samanta, an individual investor. Please go ahead.
- Sudip Samanta:** Thank you for the follow-up, sir. So, actually, already we **invest in DBJ business**, right? Next 2-3 years, what would be our sales top line? Next 2-3 years, not for this year or next 2 months. So, we have some aim, right?
- Management:** Yes. So, there has been a -- as I said, we've changed our strategy and focused on more profitable growth. So, this segment is not likely to account for more than 3%-4% of our revenues over the medium term.
- Sudip Samanta:** Next 2-3 years, ourDBJbusiness then should be near about 2%-3% overall top line.
- Management:** 3% to 4%, yes.
- Sudip Samanta:** Okay and what is Acemoney, sir? Could you please explain a little bit?
- Management:** Acemoney is growing at a much faster pace. Already achieved EBITDA break-even. So, we have not put out long-term forecast for Acemoney as yet because it's just 8 months since we acquired. But it is growing at a pretty healthy pace. Hopefully, it will be a substantial portion. We will give more disclosures on Acemoney once it reaches a critical size.
- Sudip Samanta:** So, at least we hope like next 2-3 years, it would be near about 3% of our overall sales?
- Management:** Sorry?
- Sudip Samanta:** Acemoney sales, it's near about 3% overall sales next 2-3 years, prospect?
- Management:** We have not put a number as yet. But anyway, that's in a separate legal entity. So, you will get the information on that on a quarterly basis as well. Even this quarter, we can compare between standalone and consolidated to check the share. This quarter was about 21 million.
- Sudip Samanta:** 21 million?
- Management:** 21 million is the revenue out of the overall revenue of 100 million. So, it is roughly about 2%.
- T.V. Venkataramanan:** Acemoney, the whole of last year, they made only 34 million sales. But this year, in the first quarter, they have made 21 million. That indicates that they are turning around very quickly.
- Sudip Samanta:** Sir, what about...

- Management:** It is roughly about 2%. It will be substantially higher. We are not able to put a number to that as yet on what is the number to the median.
- Sudip Samanta:** Sir, what about our DBJ business margin? Our normal margin like 25% to 27% or more than that or less than that?
- Management:** Sorry, we didn't follow your question?
- Sudip Samanta:** DBJ business margin, I am talking about EBITDA margin. So, it is...
- Management:** DBJ business is just about -- we are expecting it to break even in the current or next quarter.
- Sudip Samanta:** Okay, okay. I got your point, sir. Thank you so much, sir, for answering my question.
- Col David Devasahayam:** Thank you.
- Moderator:** Thank you. The next question is from the line of Rasagya Gandhi from Arihant Capital Markets Limited. Please go ahead.
- Rasagya Gandhi:** Thank you for this opportunity, sir. I just had one question. I just wanted to know about the retail opportunity and what kind of market share are you looking from here to capture?
- Management:** Retail opportunity, is it? Can you just repeat the question?
- Rasagya Gandhi:** Yes, sir. I just wanted to know about the retail opportunity that your company is seeking from here.
- Management:** See, the number of retail outlets in India is far higher compared to the total industry that is being serviced by retail cash management players. So, today, we cater to about 72,000 points. But, I mean, India has, I think, close to 2 crores retail outlets. And roughly, state estimate is that roughly about 25% of that will be eligible to use a service of this nature, like retail cash management. So, that is 50 lakhs. And we are at 72,000. So, the entire industry will be catering to hardly to 3% of the overall market.
- So, we have a huge potential for growth in the retail segment. Retail, as in retail cash management, the core business. And each of these strategic initiatives are to capture part of this market. So, market share is, in a sense, it is not meaningful at this point of time because the penetration levels of the industry itself is very low.
- Rasagya Gandhi:** Thank you, sir.
- Moderator:** Thank you. Ladies and gentlemen, we'll take this as the last question. I would now like to hand the conference over to the management for closing comments.
- Col David Devasahayam:** Thank you so much. Well, coming on to my concluding remarks, this quarter has shown a positive reversal in trend and profitability. I am confident of continuing this trend and improving our profitability with the help of strong revenue growth and continued focus on cost optimization.

The opportunities for growth are tremendous and our key strategic initiatives are clearly focused on capitalizing on these untapped market segments for a long-term sustained growth. I want to express my gratitude for your continued support and belief in Radiant. We are confident that our focused approach and strong performance will yield promising results for all stakeholders. Thank you for your time and your abiding interest in our company. Thank you very much.

Moderator: Thank you.

Sarvesh Mutha: Yes, on behalf of Antique Stock Broking, we would like to thank the management for giving us this opportunity. Operator, you can conclude now.

Moderator: Yes, sir. Thank you. On behalf of Antique Stock Broking Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.
