
Transcript of the Sixteenth Annual General Meeting of RADIANT CASH MANAGEMENT SERVICES LIMITED (formerly known as RADIANT CASH MANAGEMENT SERVICES PVT LTD) held on Monday, 20th September 2021, at 2.00 PM through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") (Deemed Venue -28, Vijayaraghava Road, T.Nagar, Chennai-17).

PARTICIPANTS:

Col. David Devasahayam

- Chairman & Managing Director and Shareholder

(Member – Audit Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee)

Dr. Renuka David

- Whole-time Director and Shareholder

(Member – Corporate Social Responsibility Committee)

Mr. A. P. Vasanthakumar

- Non-Executive Nominee Director and Corp. Shareholder Representative

(Member – Nomination & Remuneration Committee)

Ms. Jayanthi

- Independent Director

(Chairperson – Audit Committee, Member – Nomination & Remuneration Committee and Stakeholders Relationship Committee)

Mr. Alexander David

- Shareholder

Ms. Angela David

- Shareholder

Mr. SJS Swamidoss

- Shareholder

Col. Benz Jacob

- Shareholder

Mr. Kiran Shenoy

- Representing M/s. Menon & Pai, Chartered Accountants

Mr. Ramaswami G M

- Representing M/s ASA & Associates LLP

Mr. T. V. Venkataramanan

- Chief Financial Officer

Ms. Jaya Bharathi K

- Company Secretary

Time of Commencement of Meeting: 2.00 PM

Col. David Devasahayam:

Ladies and Gentlemen, I welcome the Directors and Shareholders of Radiant Cash Management Services Ltd to the Sixteenth Annual General Meeting of the Company. We thank you all for joining this meeting at shorter notice. We have also received consent from the members, as required. I am informed that all the 7 members are here and the necessary quorum is present and I call the meeting to order.

Due to prevailing COVID 19 situation, Ministry of Corporate Affairs has brought in relaxations to hold General Meetings of companies through Video Conferencing or other audio video visual means and accordingly, this AGM is being held through video conferencing facility and physical attendance of members and appointment of proxies has been dispensed with and it is confirmed that the meeting is held in due compliance with the matters specified in the circulars issued by the Ministry of Corporate Affairs. The information and documents to be made available for inspection during the meeting are kept open.

I request the shareholders present to confirm if all are able to join and participate in the meeting without any difficulty. VC facility allows two-way tele / video conferencing for the ease of participation of the members and in case of any issue, the shareholders can use the assistance of Company Secretary by reaching her at jayabharathi@radiantcashlogistics.com/9710400555 and all efforts feasible under the circumstances have indeed been made by the Company to enable members to participate and vote on the items being considered in the meeting.

Participating shareholders are allowed to pose questions concurrently and also have been given time to submit questions as specified in the notice convening the AGM to the email id of Ms. Jaya Bharathi Karumuri, Company Secretary.

Notice convening the meeting have already been circulated to the members and with the consent of the Members present here, the notice is being taken as read. Col Sir, may I request you to kindly deliver Chairman's address.

It gives me great pleasure to welcome you all to the 16th Annual General Meeting of Radiant Cash Management Services Limited. I would have very much liked to meet and address you in person, but as you know, we are holding this meeting over a virtual platform due to the prevailing unprecedented circumstances. I would like to thank you for sparing the time to join us today from wherever you are, and for your continued faith in RCMS and its management. I hope you and your family members are remaining healthy and staying safe.

Though we started Fiscal year 2020-21 with a lockdown due to Covid 19 situation, things started improving in the second half of FY 2021. Financial results were by and large satisfactory despite the challenges faced during the year.

We are glad to announce that we became a public limited company and received fresh certificate of incorporation dated 25th August 2021.

I also take this opportunity to thank all the employees and my colleagues on the Board for their continued support and guidance. I also thank all our shareholders for their continued trust on their Company.

We I take up the first item in the agenda:

- 1. Adoption of the Audited Balance Sheet as at 31st March, 2021 and the Profit & Loss Account for the year ended 31st March, 2021 together with the reports of the Board of Directors and Auditors thereon.**

Request CFO to make a brief presentation on the financials for FY 20-21.

Venkataramanan:

For FY 21, we had a revenue of Rs. 221.13 Crores against a Sales of Rs. 251.45 Crores in the previous year. The reason for drop in the revenue is due to the nationwide lockdown in the first quarter of the FY. Things started improving from second quarter and the second half was promising. Other income was Rs. 3.01 Crores last year and reduced to Rs. 1.40 Crores this year, as the mutual fund was redeemed during the year and hence the income from Mutual Fund was only for the part of the year.

Coming to Expenses – Employee Benefit Expenses was Rs. 42 Crores during FY 2020 and reduced to Rs. 40 Crores, due to cost control measures initiated during the year. Service Charge Expenses – Amount paid to Cash Executives reduced from Rs. 70 Crores to Rs. 52 Crores. Substantial drop was due volume reduction and cost control measure.

Vehicle and Gunmen expenses – Due to Covid situation and non availability of vehicles - it was increased from Rs. 36 Crores to Rs. 43 Crores. Bank Charges – RBI Circular issued during 2020 stipulating that the current Accounts are to be operated only with the Banks where the customer has credit facilities and based on the Circular, we had to close few accounts and hence there is a marginal increase in Bank Charges.

Increase in Rent is due to the Escalation clause built in Rental Agreement. However during FY 2022, we have closed many offices in Chennai and moved to a new Corporate Office in June 2021, which will give a saving upto Rs. 6 – 7 Lakhs per annum.

Insurance –Increase in Cash – In- Transit Insurance from ICICI Lombard. However, we have now negotiated during the current year and it is expected to be equal to the expenses during FY 2020. Other expenses – substantial reduction from Rs. 21 Crores to Rs. 13 Crores due to reduction in administrative overheads, especially due to Work From Home.

EBITDA – Marginal reduction is due to reduction in Volume of sales, despite reduction in the expenses and cost reduction.

PBT – From Rs 53 to Rs. 42 Crores

We ended this FY with PAT of Rs. 30 Crores as against PAT of Rs. 39 during FY 2020.

During the Current Year – Reserves for FY 21-22, sales of Rs. 265 to 270 crores. Dividend for FY 21 is to be taken up at the AGM for Rs. 25 Crores.

Mr. Vasantha Kumar :

Request Mr. Kiran and Mr. Ramaswami to comment on the highlights of Audit of FY 2020-21.

Mr. Kiran : No comments / issues.

Mr. Ramaswami : No comments on the audit of FY 2020-21

I now request a member to propose and another to second the Ordinary resolution under item no. 1 of the notice.

Alexander David :

I propose this resolution

Col Benz Jacob:

I second this resolution

Col David Devasahayam:

Now the resolution is put to vote by show of hands.

All shareholders participating in the meeting:

Raised their hands in favour of the special resolution

Col David Devasahayam:

Thank you everyone. The resolution is passed unanimously.

Going to next agenda item No. 2, as I am a related Party to this resolution, I request Mr. Vasantha Kumar to conduct the proceeding for Item No: 2

Mr. Vasantha Kumar:

Item No.2 To re-appoint Dr. Renuka David (holding DIN: 02190575), Whole Time Director who retires at this annual general meeting and being eligible, offers herself for re-appointment

I now propose this Ordinary Resolution and request a member to second this resolution under item no. 2 of the notice.

Swamidoss:

I second this resolution

Venkataramanan:

Now the resolution is put to vote by show of hands.

All shareholders participating in the meeting: raised their hands in favour of the special resolution

Mr. Vasantha Kumar:

Thank you everyone. This resolution is passed unanimously. I request Col David Devasahayam to resume as the Chairman.

Col David Devasahayam:

Thank you Vasanth. We now got to Item no: 3

Item No.3 To appoint auditors and fix their remuneration

Menon & Pai were the Auditors of the Company since its inception. As there tenure expires at this AGM, we now propose appointment of M/s ASA & Associates LLP, Chartered Accountants, Chennai (Firm Regn. No. 009571N/N500006) for a period of 5 years.

I now request a member to propose and another to second the Ordinary resolution under item no. 3 of the notice.

Mr. Vasantha Kumar:

I propose this resolution

Alexander David:

I second this resolution

Col David Devasahayam:

Now the resolution is put to vote by show of hands.

All shareholders participating in the meeting:

Raised their hands in favour of the special resolution

Col David Devasahayam:

Thank you everyone. The resolution is passed unanimously. We welcome Mr. Ramaswami and ASA Associates LLP as the Statutory Auditors of the Company for FY 2021-22 to 2025-26.

Item No.4 To confirm the interim dividend of Rs 209.87 per preference share of Rs 10 each of the Company and consider the same as final dividend for the financial year ended on March 31, 2021

This Interim Dividend for Preference Shares was approved at the Board Meeting held on 25th June 2021 and the same is proposed to be confirmed as the Final Dividend.

I now request a member to propose and another to second the Ordinary resolution under item no. 4 of the notice.

Mr. Alexander David :

I propose this resolution

Col Benz Jacob:

I second this resolution

Col David Devasahayam:

Now the resolution is put to vote by show of hands.

All shareholders participating in the meeting:
Raised their hands in favour of the special resolution

Col David Devasahayam:

Thank you everyone. The resolution is passed unanimously.

Item No.5 To confirm the interim dividend of Rs 209.87 per equity share of Rs 10 each of the Company and consider the same as final dividend for the financial year ended on March 31, 2021

This Interim Dividend for Equity Shares was approved at the Board Meeting held on 25th June 2021 and the same is proposed to be confirmed as the Final Dividend. I now request a member to propose and another to second the Ordinary resolution under item no. 5 of the notice.

Mr. Alexander David :
I propose this resolution

Col Benz Jacob:
I second this resolution

Col David Devasahayam:
Now the resolution is put to vote by show of hands.

All shareholders participating in the meeting:
Raised their hands in favour of the special resolution

Col David Devasahayam:

Thank you everyone. The resolution is passed unanimously.

Item No.6 Appointment of Ms. Jayanthi (holding DIN: 09295572) as an Independent Director

Our Company is a Public Company and is proposing for IPO, according to Companies Act, 2013, Ms. Jayanthi was appointed as an Additional Director with effect from 6th September 2022. Her profile has been shared along with the AGM notice and we have received a notice in writing proposing her candidature for the office of Director. I now request a member to propose and another to second the Ordinary resolution under item no. 6 of the notice.

Col Benz Jacob:
I propose this resolution

Swamidoss :
I second this resolution

Col David Devasahayam:
Now the resolution is put to vote by show of hands.

All shareholders participating in the meeting:
Raised their hands in favour of the special resolution

Col David Devasahayam:

Thank you everyone. The resolution is passed unanimously.

Item No.7 Appointment of Lt. General Devraj Anbu (holding DIN: 09295593) as an Independent Director

Lt. General Devraj Anbu was appointed as an Additional Director with effect from 6th September 2022. His profile has been shared along with the AGM notice and we have received a notice in writing proposing his candidature for the office of Director. I now request a member to propose and another to second the Ordinary resolution under item no. 7 of the notice.

Col Benz Jacob:

I propose this resolution

Swamidoss :

I second this resolution

Col David Devasahayam:

Now the resolution is put to vote by show of hands.

All shareholders participating in the meeting:

Raised their hands in favour of the special resolution

Col David Devasahayam:

Thank you everyone. The resolution is passed unanimously.

Item No.8 To consider re- appointment of Mr. A P Vasanthakumar (holding DIN: 02069470) as a Nominee Non-Executive Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation

It is now proposed to designate Mr. A P Vasantha Kumar as Nominee Non-Executive Director liable to retire by rotation in order to comply with the requirement of having two- thirds of the Board Members whose period of office shall be liable to determination by retirement by rotation. We have received a notice in writing proposing his candidature for the office of Director. I now request a member to propose and another to second the Ordinary resolution under item no. 8 of the notice.

Mr. Alexander David:

I propose this resolution

Swamidoss :

I second this resolution

Col David Devasahayam:

Now the resolution is put to vote by show of hands.

All shareholders participating in the meeting:

Raised their hands in favour of the special resolution

Col David Devasahayam:

Thank you everyone. The resolution is passed unanimously.

Item No.9 To consider fixing of borrowing limits for the Company

It is proposed that the Borrowing limits of the Company be fixed at Rs. 75 Crores pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013. I now request a member to propose and another to second the Special resolution under item no. 9 of the notice.

Col Benz Jacob:

I propose this resolution

Swamidoss :

I second this resolution

Col David Devasahayam:

Now the resolution is put to vote by show of hands.

All shareholders participating in the meeting:

Raised their hands in favour of the special resolution

Col David Devasahayam:

Thank you everyone. The resolution is passed unanimously.

Item No.10 To consider creation of charges on the assets of the Company

Pursuant to the provisions of section 180(1)(a) of the Companies Act, 2013, consent of the members by way of special resolution is required to mortgage / charge / hypothecate the assets of the Company. I now request a member to propose and another to second the Special resolution under item no. 10 of the notice.

Col Benz Jacob:

I propose this resolution

Swamidoss :

I second this resolution

Col David Devasahayam:

Now the resolution is put to vote by show of hands.

All shareholders participating in the meeting:

Raised their hands in favour of the special resolution

Col David Devasahayam:

Thank you everyone. The resolution is passed unanimously.

I would like to thank all the Directors, Members and Auditors - Mr. Kiran and Mr. Ramaswami for the attendance and participation in the proceedings. Once again thank Menon and Pai for being our Auditors since inception and guiding us all the way and they will continue as Internal Auditors and hearty welcome to Mr. Ramaswami and ASA Team and its

our pleasure to have the auditors with vast expertise and good reputation to be on board, especially at the stage when our Company is planning to go public to lead us through best global practices. I also thank Ascent Capital led by Mr. Vasanth. They joined us as Investors in January 2015 and were to take exit during 2019. Hope that, at the end of listing, Ascent's expectations will be discovered by the Market and appropriate value for the equity shares they hold in the Company. I once again welcome and thank the eminent Independent Directors to be onboard to steer the Company with the best possible Corporate Governance and build market reputation.

Time of Conclusion of Meeting: 02:55 PM

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