



“Radiant Cash Management Services Limited 19th Annual General Meeting”

September 05, 2024

Directors: Col. David Devasahayam – Chairman & Managing Director
Dr. Renuka David – Whole-Time Director
Mr. Vasanthakumar – Nominee Director
Lt. Gen. Devraj Anbu – Independent Director & Chairman of
Stakeholder Relationship Committee
Mr. Ashok Kumar Sarangi – Independent Director & Chairman of
Nomination & Remuneration Committee

Management: Col. Benz Jacob – Chief Operating Officer
Mr. T. V. Venkataramanan – Chief Financial Officer
Mr. Alexander David – General Manager (Operations)
Mr. Muthuraman N – Director for Strategy & Investor Relations
Mr. Nithin Tom – Company Secretary

Moderator: Dear shareholders, good afternoon. A very warm welcome to the 19th Annual General Meeting of Radiant Cash Management Services Limited convened through video conferencing or other audio visual facility. As a reminder for the smooth conduct of the meeting, the members will be in the mute mode and audio and video will be opened when they will speak at the AGM as per the pre-registration. Please note that as per the requirements, the proceedings of the annual general meeting will be recorded and transcript of the recording will be available on the website of the company. I hand over the proceedings to Col. David Devasahayam, Chairman and Managing Director of the company.

Col. David Devasahayam: Good afternoon everyone. I welcome the members to the 19th Annual General Meeting of your company, which has been convened through video conferencing in compliance with the Companies Act 2013 read with circular issued by the Ministry of Corporate Affairs and SEBI. I am informed that we have the requisite quorum present through video conference to conduct the proceedings of this meeting. Participation of members through video conference is being reckoned for the purpose of quorum as per the circulars issued by the Ministry of Corporate Affairs and section 103 of the Companies Act, 2013. The quorum being present, I call this meeting to order. Before we start the main proceedings of the meeting, let me introduce the Board of Directors of your company who are attending this annual general meeting through the electronic mode. To my left is Dr. Renuka David, Whole Time Director, joining from our corporate office in Chennai. Mr. Vasanthakumar, Nominee Director, joining from Bengaluru, Lt. Gen. Devraj Anbu, Independent Director and Chairman of Stakeholder Relationship Committee, joining from Coonoor, Mr. Ashok Sarangi, Independent Director and the Chairman of Nomination and Remuneration Committee, joining from Oxford, United Kingdom, Ms. Jayanthi, Independent Director and Chairperson of the Audit Committee, has expressed her inability to attend this annual general meeting and requested for leave of absence. Ms. Jayanthi has authorized Lt. Gen. Devraj Anbu, Independent Director and a member of the audit committee to act as her representative at this AGM. Apart from the directors on my left, we also have with us Col. Benz Jacob, Chief Operating Officer and Mr. Alexander David, General Manager Operations. On my right is Mr. Muthuraman, Director for Strategy and Investor Relations, Mr. T. V. Venkatramanan, Chief Financial Officer, and Mr. Nithin Tom, Company Secretary, joining with me from the corporate office of the company. Other key executives and senior management are joining from their respective locations. Statutory auditors and secretarial auditors have also joined this meeting. I thank all the shareholders, directors, auditors, and the management team for joining this meeting. I will now request the company secretary to provide general instructions to the shareholders regarding participation in this meeting.

Nithin Tom: Dear members this annual general meeting is being held through video conferencing in accordance with the Companies Act 2013 and circulars issued by the Ministry of Corporate Affairs and SEBI. The facility for attending this meeting through video conference or other audio-visual means is made



available for the members on a first-come, first-serve basis. The register of directors and key managerial personnel, the register of contracts or arrangements, and other documents mentioned in the AGM notice will be provided electronically for inspection during the AGM. As the AGM is being held through video conferencing, the facility for appointment of proxies was not applicable. Hence, the proxy register for inspection is not available. We will facilitate an opportunity to speak for the shareholders who have already registered to speak at the AGM once the Chairman offers the floor for questions and answers. Members are requested to refer to the instructions provided in the notice of AGM for a seamless participation through electronic mode. In case members faced any difficulty, please reach out on the helpline numbers provided in the notice of AGM. Thank you. Over to you, Chairman.

Col. David Devasahayam: Ladies and gentlemen, notice dated August 7, 2024 convening this annual general meeting and a copy of the annual report for the financial year ended March 31, 2024 has already been sent to members of the company electronically. With your permission, I shall take them as read. The auditor's reports on the financial statement and the secretarial audit report of the company for the financial year ended March 31, 2024 do not contain any qualification, reservation, adverse remark or disclaimer. Accordingly, the reports are not required to be read out as provided in the Companies Act 2013. Now let me begin my formal address to the shareholders.

Dear shareholders, a very warm good afternoon to each and every one of you. It gives me great pleasure to welcome you all to the 19th Annual General Meeting of your company. I look forward to this event to share and interact with all of you on the performance and the progress as well as the journey ahead. During the financial year 2024, we have not only strengthened the co-business by steadily increasing the share of direct customers in our core business, but also introduced an innovative product, Radiant Instacredit, RIC for retail customers. During the year, the company diversified into adjacent businesses of transporting valuables like diamond, bullion and jewelry. Our strategic acquisition of Aceware FinTech Services Private Limited marks an exciting new chapter for us as we enter the FinTech Sector. This move enhances our service offerings with cutting-edge digital banking solutions. Aceware's technology-driven innovations such as Aadhaar enabled payment systems, micro ATMs and digital wallets perfectly complement our existing cash management services. By integrating Aceware's advanced technologies with our operations, we are positioned to offer a seamless blend of physical and digital banking solutions, meeting the evolving needs of our clients. Moreover, Aceware's strong focus on rural and semi-urban markets aligns perfectly with our strategic goal of expanding financial inclusion. We have broadened our coverage to 14,370 pin codes across India and our retail touchpoints grew by 10%, totaling 69,934 touchpoints nationwide. This expansion enables your company to serve 8,276 locations across our country. With significant number of our touchpoints located in tier two and tier three plus towns and cities, we further strengthen our presence in these fast growing markets. Our total currency movement for the year stood at an impressive Rs.1.67 trillion, reflecting a 6.2% year-on-year growth. Additionally, we are proud to have



added several prominent retail chains and direct clients during this period, further strengthening our market position. Our increased focus on direct clients has shown very good results and from less than 2% at the time of our listing, today this segment accounts for 9% of our revenues. We would continue placing a greater emphasis on direct sales channels to further enhance our market penetration. Overall, your company achieved higher revenue this year, reaching INR .3,903 million, a solid 9% increase from the previous year and EBITDA of INR.691 million. Despite facing challenges in certain segments, we have maintained healthy profitability and remain confident in our prospects for future growth. Our balance sheet continues to be strong with zero debt and we are proud to report a healthy return on capital employed of 22% and a return on equity of 18%. For the FY2024-2025, the board has recommended a final dividend of Rs.2.5 per equity share, absorbing an amount of Rs.277.6 million as dividend to the shareholders. During the Q1 of FY2024-2025, the company achieved a total revenue of INR .993 million, registering an increase of 4% as compared to Q1 of FY2024. The PAT of Rs.111 million for the Q1 of FY2024-2025 was 24% higher than the PAT of the Q4 of FY2023-2024. Globally, the retail cash management sector is set for strong performance in the coming years, buoyed by favorable market trends, supportive regulatory conditions, and ongoing technological advancements.

In India, despite the rise of digital payments, cash remains a critical mode of transaction, particularly in rural and semi-urban areas. With a significant portion of the market still untapped, especially in tier two and tier three cities, there are substantial opportunities for expansion and capturing a larger market share in the future. Though India represents a burgeoning market with over 5 million addressable retail touchpoints, only 20% are in the organized sector. We are currently servicing approximately 72,000 touchpoints. This highlights the vast potential within the retail cash management services sector as the market remains largely underpenetrated. The future is encouraging for retail cash management, and we are well positioned to leverage these opportunities and drive growth in the coming years. I am confident that the company will continue to grow, aided by a dedicated workforce, vast network, and strong capabilities to add value for all stakeholders. I want to thank all our employees, clients, and governments for the support over the years, and I thank each and every shareholder for the faith that each one of you has reposed in us; our sincere thanks to all of you.

We now take up the resolutions that are set forth in the notice. We will open the floor for any questions by members after all the resolutions are tabled. Accordingly, I will now only read out the resolutions.

Item number one of the notice, adoption of the audited standalone financial statements for the financial year ended March 31, 2024, and the reports of the Board of Directors and auditors thereon.

Item number two of the notice, adoption of audited consolidated financial statements for the financial year ended March 31, 2024 and the report of the auditor thereon.



Item number three of the notice to declare a final dividend of Rs.2.50 per equity share of face value of Rs.1 each for the financial year ended March 31, 2024.

Item number four of the notice, reappointment of Mr. Vasanth Kumar A. P. as a Director who is liable to retire by rotation.

Item number five of the notice, reappointment of Ms. Jayanthi who has attained the age of 75 years as an Independent Director.

Item number six of the notice, reappointment of Ms. Jayanthi as an Independent Director.

Item number seven of the notice reappointment of Lt. Gen. Devraj Anbu as an Independent Director.

Item number eight of the notice reappointment of Mr. Ashok Kumar Sarangi as an Independent Director.

Since I am interested in agenda items nine and 10, I hereby request Lt. Gen. Devraj Anbu, Independent Director of the company to conduct the proceedings for those items.

Lt Gen Devraj Anbu: Now moving on to item number nine of the notice. Authorization to the Board of Directors to advance any loan, give any guarantee or provide any security under section 185 of the Companies Act 2013.

Item number 10 of the notice to consider and approve related party transaction with Radiant Protection Force Private Limited. Thank you and back to you Col. David to continue with the proceedings for the remainder of the meeting.

Col .David Devasahayam:Now moving on to the question-and-answer session, I request the company secretary to explain the process of e-voting on the resolutions and the information regarding announcement of voting results.

Nithin Tom: Members may kindly note that the text of the resolutions along with the explanatory statement is provided in the notice circulated to the members. In compliance with the provisions of the Companies Act 2013 and the SEBI listing regulations, the company has provided the facility to its members to cast votes on all resolutions set forth in the notice through remote electronic voting system administered by NSDL. Members who have not yet cast their votes will have an opportunity to vote during the meeting through the e-voting website of NSDL. The instructions for e-voting are provided from note number 24A in the notice of AGM. The members may kindly note that the facility for e-voting is also extended up to 30 minutes after the conclusion of this AGM. The Board of Directors appointed S. Sandeep, Practicing Company Secretary, as a scrutinizer to supervise the e-voting process. The results will be declared within two working days based on the scrutinizer's report on the e-voting done today by members participating in this AGM and also the remote e-voting already done

by members earlier. The results declared along with scrutinizer's report shall be displayed on our company's website and on the website of NSDL. The company shall simultaneously forward the results to National Stock Exchange of India Limited, BSE Limited where the shares of the company are listed. As the meeting is convened through VC today, resolutions have already been put to vote through remote e-voting and the requirement to propose and second are not applicable for this meeting. Thank you, handing over back to the Chairman.

Col David Devasahayam: We can now start the question-and-answer session for the shareholders. The members who have registered to speak at the AGM are now allowed to express their views or ask questions. Members are requested to keep the questions brief and specific.

Moderator: Ladies and gentlemen, we will now begin the question-and-answer session. We have three shareholders who have registered to speak at this AGM. Ms Urvija Shah who has registered as speaker however she has not joined the meeting, we shall move to the next speaker Shareholder, Mr. Vinay Vishnu Bhide. Mr. Bhide, please accept the prompt on your screen. You can then unmute your microphone, your camera and go ahead with your question.

Vinay Vishnu Bhide: Chairman and Managing Director Col. David Devasahayam, Dr. Renuka David, Chief Operating Officer Mr. Benz Jacob, General Manager, Mr. Alexander David, other distinguished directors present on AGM today, company executives and fellow shareholders, as already announced, I am Vinay Bhide, a supporter and shareholder speaking from Mumbai, and I am extremely pleased to join the AGM with all of you this year too. I have gone through the copy of the annual report, the results of the company as well as listening to you know to the Chairman's statement that you have given at the start of this meeting and I am extremely pleased to have all aspects of business and finance covered. However, to understand the present and the future better, I have listed out a few questions and those are principally as I mentioned, to understand the present and the future better and let me quickly put those questions before you. The first question is the company has ventured into transportation of high value items. What is the current and expected competition, pricing scenario here and will this venture into the high value transportation business, the margin accredited to our cash pickup and delivery business. So that was the first part of the question. For the second question, I would request you to refer to page number 91 of our FY2023-2024 annual report where there is an indication that there is a significant pressure on the operating profit margin and the net profit margin in FY2024 versus FY2023 due to high value business. The question here is what is our rationale to continue with high transportation with transportation of high value business when this business is in losses in addition to margin pressure of the clients. The direction of this question is that if you would observe for the past one year or so the business that we are venturing into transportation of jewelry, valuables and all that, as you know, substantially look up, so this could imply that client should be in a pressure and in the position to offer us good prices, so this concern on the pressure of margins and the prices. For the third part of the question, in contrast, it appears that the Aceware business would be both scalable,

profitable and safer, please share your views and the final part of the question, what were the capex and opex spends on IT and digital in FY2023-2024 and what are the budgets for the current year? These are, some of the few questions which I had listed out for this AGM. I have already voted in favor of all our resolutions because I believe that we are, doing our business very methodically and very principally and I must add here that company secretary Mr. Nithin Tom and his team have done a good job like last year to bring all of us together at this meeting. I wish the entire Board of Directors and the employees all the best. I continue to remain in support of the company. All the best. Thank you so much.

Moderator: We will have our next speaker shareholder. Mr. Manjit Singh. Mr. Singh we have given you permission to speak.

Manjit Singh: Management team, secretarial team and my co-shareholders. I welcome all of you. One quarter has passed, what is the growth expected for rest of three quarters. Please brief, for the benefit of shareholders.

Our business is risky. What insurance coverage is provided to our employees & laborers and what is the value & category of insurance and how many labors are covered under the insurance?. Please tell us about that. There is a risk in our business so insurance is necessary. What level do you get it done? Please tell us a little about it. We have auditor and secretarial auditor. How long have they been associated with us? Do they have some rotation policy as well.? How you will go ahead with them?. Because, when I started investing in the share market in 2004, there was a big scam in Sathyam where auditors were involved. So you should keep a rotation policy and change them periodically. It will make a difference in our balance sheet and our company will get transparency. You should pay special attention to this. I thank the secretarial department for their hard work for keeping us connected. Chairman address the shareholders pleasantly and let that continue. Our Company will ascend by leaps and bounds. We wish to receive, some stationary item with autograph of Chairman, during this festival season. The secretary has also said that whatever has to be said, should be said in the assembly. So, the Secretarial Dpt. has to decide whether to say these things or not. Thank you.

Moderator: Our next speaker shareholder number four, Sarvjeet Singh will ask the question.

Sarvjeet Singh: Chairman, first of all, good afternoon to you, all the Board of Directors, all the staff of our company and my co-fellow shareholders. Chairman, you told us about the company's future in your opening remarks and you also told us about the strategies ahead. The way our share is trading 52 week low, around Rs. 70 and high at Rs. 116 and even today our share is trading at Rs. 80, so we want complete faith and hard work from the management to get good returns. Our promoter holding is around 56%. Are we planning to increase it by way of buy back or through some other means? Please let us know the roadmap for the next 24 months. Please tell us about it. The dividend which you have given to shareholder is a good dividend and may the company continue giving good dividends and I would

like to also say that please think about the speaker shareholders. Please tell your CS about that. We thank the CS and moderator who gave us the opportunity to speak.

Moderator: That was the last question. I now hand over the meeting to the Chairman for further proceedings. Over to you Chairman.

Col David Devasahayam: Thank you very much and we will now begin answering these questions one by one. I will request our Director of Strategy and Investor Relations to answer the questions of Mr. Vinay Vishnu Bhide.

Muthuraman: The first question is on the high value transportation business. The pricing here in this business is based on per gram basis. You asked about the current and expected competition. This business has only very few organized sectors and the business is getting more and more organized, so there is a scope for significant number of new organized players, so that is the reason why we entered into this business. The margin in this segment will be less compared to the retail cash management business until it reaches a critical volume. Thereafter, Radiant Valuable Logistics, that is the division, also has a very high operating leverage and hence incremental profitability after it reaches critical volume will be quite healthy. In terms of the rationale to continue with the transportation of high value business when this business is in losses, as you will appreciate, any new business will have a gestation period before it starts making profit, so we hope RVL business to be profitable from the second half of 2024-2025.

T.V.Venkatramanan: Thank you, Muthuraman. The third question is about whether Aceware business could be both scalable, profitable and safer. Yes, FinTech being a booming industry, Aceware business will scale up substantially in the future. We understand from the reports that FinTech Industry is going to be about close to \$350 billion, five to six years down the line, it is a booming industry, it could scale up in future. The last second question is about the capex spent on IT in 2023-2024 and the plans for 2024-2025. We have spent about Rs.9.09 million on IT cap tax during FY2023-2024, 24. The budget for 2024-2025 will also be around the same value.

Muthuraman: The next question is from Mr. Manjit Singh.

Col David Devasahayam: Mr. Manjit Singh, the first question you asked, our chief operating officer will answer it.

Col Benz Jacob: Whatever amount of cash or valuable we move, it is 100% insured. Whatever insurance we have, we have always received it. I can assure you that our losses are under control. Every year our insurance premium is decreasing. You should pay attention to this. Our system is capable of covering the risk.

Col David Devasahayam: How the performance will be I will tell our director, investor relations strategy to tell.

Muthuraman: Q1 was good, how will the other three quarters be? We already informed that in our last analyst call also, the pressure on margins is behind us. Q1 has been much better than Q4, and we expect the trend to continue for the rest of the three quarters for this year. Regarding statutory auditor question, I request Venkat to answer.

T. V. Venkatramanan: Thank you, Muthuraman. ASA & Associates, our statutory auditors were appointed in the year 2021 for a period of four years that is until the AGM to be conducted in the calendar year 2026. They have got still two more years to go. Regarding rotation of statutory auditors, the board will take a decision about that in the calendar year 2026, when their current term ends.

Col David Devasahayam: Sarvjeet Singh You said that we have about 57% promoter holding. Now we have a listed and this is the second AGM. We do not have any buyback plan at this time. We will think about it after some time. This is a good question. On the road map for 24 months. We are considering previous year as a year of consolidation. The performance of our board, the performance of this company that we had hoped for, we have taken action on that like investing in diamond bullion and jewelry logistics, concentrating on direct clients, or focusing on new innovative product – Radiant Insta Credit, dedicated cash van and business where we have not focused before. We have to focus more on that. I always believe that we are a platform company. We are doing cash logistics in this. Along with this, and we all know that digitization is also progressing along with our company is also moving forward. That is why we have acquired Aceware, the fintech services company and that is why we will have a hybrid platform, a physical and digital or phygital platform. All this will be taken for our decision for the medium to long term development of the company. I hope that we will be able to maintain and improve our growth in the coming years. This will be our strategy for the next two years. Dividend policy, last year also we had distributed Rs.3 over Rs.1 share. This year also we have done the same. Company is cash positive and that is why we will maintain the dividend policy in the coming years and in this financial year so this will be our effort. With this all the questions have been answered by us, I would like to take this opportunity to thank you all. I hope we have been able to address your queries. If there are any questions remaining from any shareholders, they are always free to contact our secretarial or investor relations, and we will be more than happy to specifically address them. As I explained to you earlier, the e-voting on the NSDL platform will continue to be available for the next 30 minutes from the conclusion of AGM. Therefore, I request members who have not cast their vote yet to do so within the next 30 minutes. I hereby authorize Nithin Tom, the company secretary, to declare the results of the voting and place the results on the website of the company at the earliest. The resolutions as set forth in the notice shall be deemed to be passed today, subject to the receipt of the requisite number of votes. Thank you all for attending the meeting, I hereby declare the proceedings of the 19th Annual General Meeting as closed. Thank you and my best wishes to all the shareholders.



Moderator:

Dear members, as advised by the scrutinizers, the time for e-voting has elapsed. This concludes the proceedings of the AGM. Thank you all for participating in the AGM and e-voting.