SecUR Credentials

Now it's safe

India's first background screening company listed on NSE Emerge.

23rd October, 2018

To,
The Manager,
National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex, Bandra (E),
Mumbai 400 051.

Scrip: SECURCRED

SUB: MINUTES OF 17th AGM

We are enclosing herewith a copy of the Minutes of the Annual General Meeting of the Company held on 27th September, 2018.

You are requested to take the same on your record.

For SecUR Credentials Ltd.

V.V.Bhoy

Vipul Bhoy
Company Secretary

SECUR CREDENTIALS LIMITED MUMBAI

Encl: a/a.

MINUTES OF THE 17TH ANNUAL GENERAL MEETING OF THE MEMBERS OF SECUR CREDENTIALS LIMITED HELD ON THURSDAY, 27TH SEPTEMBER, 2018 AT 11.00 A.M.AT 'TUNGA INTERNATIONA, 6TH FLOOR, MIDC, ANDHERI (EAST), MUMBAI – 400093.

PRESENT:

1. Mr. Pankaj Vyas	:	Non-Executive Chairmanof the Board Also, Chairman of the Stakeholders' Relationship Committee and Corporate Social Responsibility Committee and; Member of the Company
2. Mr. Rahul Belwalkar	:	Managing Director and Member of the Company
3. Mrs. Shibani Belwalkar	:	Directorand Member of the Company
4. Mr. Amit Bharti	:	Independent Director and Chairman of Audit Committee and Nomination and Remuneration Committee
5. Mr. Mayur Chheda	:	Chief Financial Officer
6. Mr. Vipul Bhoy	:	Company Secretary

1. Mr. Bhavin Parekh, Audit Partner of M/s. B. M. Parekh & Co., Chartered Accountants, Statutory Auditors of the Company and Mrs. Niyati Mehta, Secretarial Auditors of the Company were present by invitation.

CHAIRMAN'S INITIALS

2. 11 members were present in person out of which one member holding 3,000 Equity Shares of the Company (0.06% of the total Equity Shares) was represented by its' Authorized representative. Company had not received any proxy request.

3. At 11:00 a.m. Mr. Pankaj Vyas, Chairman of the Board of Directors, took chair of the meeting.

4. The Company Secretary welcomed the members present in the 17th Annual General Meeting. Since the requisite quorum for the meeting was present, with permission of the Chair, the meeting was called to order.

5. Member of the Board of Directors and Invitees present were then introduced to the members of the Company. It was further informed to the members that Mr. Ritesh Parekh, an Independent Director had expressed his inability to attend the Annual General Meeting due to his unplanned travel commitments and with the permission of the members, Leave of absence was granted to Mr. Ritesh Parekh.

6. The Statutory registers and records were placed before the meeting for inspection.

7. It was informed to the Members that Company had not received any proxy until the 48 (forty eighty) hours before the commencement of the Annual General meeting. However, the Company had received representation under section 113 of the Companies Act, 2013 from one shareholder holding 3,000 Equity Share of the Company which constitutes to 0.06% of the total Equity Shares.

8. The Members were further informed that pursuant to the applicable provisions of the Companies Act, 2013 and regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had provided facility of remote e-voting to the shareholders to enable them to cast their votes electronically. The

CHAIRMAN'S INITIALS

TAX PRINT • MUMBAI-1 PH.: 4347 0909

remote e-voting was kept open from Monday, 24th September, 2018 to Wednesday, 26th September, 2018. However, for the Members who wereattending the meeting and who have not availed the remote e-voting facility,the arrangement was made for voting through ballot form at the venue of the meeting. Mrs. Niyati Mehta, Practicing Company Secretary was appointed as the Scrutinizer to conduct the voting process in fair and transparent manner.

9. It was announced that the consolidated result of remote e-voting and voting at the venue of the meeting would be announced and displayed on the website of the Company on 29th September, 2018. Said results would further be simultaneously forwarded to the National Stock Exchange (NSE) and Central Depository Services (India) Limited (CDSL).

10. The Scrutinizer was then requested to show empty Ballot Box to the members after which, the Ballot Box was made available for voting.

11. With the consent of the Members present, the Notice convening the meeting, the report of the Board of Directors and Audited accounts for the F.Y. ended 31st March, 2018 were taken as read.

12. Members were informed that Auditors' report on the Annual Financial Statements of the Company for the F.Y. ended 31st March, 2018 did not contain any qualifications or observations which has adverse effect on the functioning of the Company. Hence, Auditors report was not required to be read.

13. At this point, Mr. Pankaj Vyas, Chairman, addressed the Members of the Company. In his Speech, he acknowledged the support and contribution received from the members, investors, professionals and employees in the resounding success of IPO of the Company. He also appreciated investors' belief in the young Company and

CHAIRMAN'S INITIALS

JAY PRINT • MUMBAI • PH. 2342 2000

assured the Members about becoming one of the fastest growing employment background screening Companies in India.

14. After the Chairman's Speech, Mr. Rahul Belwalkar, Managing Director addressed the Members. He greeted the Members of the Company in the first Annual General Meeting after IPO. He also expressed his gratitude to the Members for their confidence and support in the growth of the Company. He then took the Members through the key highlights of the Company by his presentation (AV).

15. The Chairman then took up the official business of the meeting.

a. **Adoption of Audited financial statements and Reports for the F.Y. ended 31st March, 2018.**

With consent of the Members, the Chairman took up the first item of agenda as set out as item no.1 of the notice convening the AGM pertaining to adoption of Audited Financial statements for the F.Y. ended 31stMarch, 2018 along with the reports of Board of Directors and Auditors thereon, which read as follows:

"RESOLVED THAT the Audited Balance Sheet as on 31stMarch, 2018 and the statement of Profit and Loss for the year ended on that date as placed before the meeting along with Boards' Report and Auditor's Report thereon be received, considered and adopted."

b. The Chairman then put the resolution to vote. Mr. UrveshVyas proposed and Mr. Kalpesh Vyas seconded the resolution.

c. At this point, Chairman requested members to come with their queries or observations if any,

CHAIRMAN'S INITIALS

TAX PRINT • MUMBAI - 1. PH.: 4347 0609

d. Following members spoke at the meeting and sought Clarifications on some points as follows:

e. **Mr. KiranAjwani**

- Higher receivables and any plans to lower the same.
- Investment in software

f. **Mr. Ajay Shah**

- Suggested to adopt the practice of quarterly updates on Financial results.
- Dividend Policy
- Higher debtors
- Current average revenue per month
- Big customers added
- Employees data
- Top ten clients
- Singapore subsidiary operations
- Article in Value research
- New members added to the management

g. **Mr. Rahul Belwalkar, Managing Director answered all the queries raised by the Members as follows:**

1. High receivables: Due to the nature of the business (the operating cycle of 30 days along with the client payment cycle of 60-90 days, the Receivables will continue to remain in the 90-120 days cycle. We will look at various options including outsourcing to manage the working capital cycle more efficiently.

CHAIRMAN'S INITIALS

JAX PRINT • MUMBAI • TEL. 4367 0969

2. Investment in software: Having a smooth, functioning operational system, which incorporates latest technology as well as information security features, is core to our business. This was the reason for acquiring the Symphony software last year. We are not anticipating such a large investment in software again for some time.

3. Quarterly updates / results: Although the regulatory requirement is for six monthly result announcement, the Management agrees that Quarterly announcements is a good corporate governance practice, and will work towards this.

4. Dividend policy: As a philosophy, the Management would like to pay dividends regularly, as it believes that profits should get shared with shareholders regularly. This year, we will actively consider Dividend payouts.

5. Big customers added / Top ten clients: The Company will continue with an aggressive client acquisition strategy. This will include signing up with Corporates, in India and abroad, both large and small, as long as they form part of our Target Group. As the expansion into different sectors takes place, the mix of top 10 clients keeps changing, from being primarily BFSI, to IT/ITES, to Ecommerce & Retail.

6. Singapore subsidiary operations: As part of the overall expansion plan in Asia, the Company has set up a Singapore subsidiary. Singapore has been selected due to its being the Corporate Headquarters for a lot of large corporates from Asia. The business strategy for Asia is currently getting worked out, and implementation is expected by end of this FY.

7. Article in some equity research reports: The Company is consulting with its Legal Counsel, on what is the appropriate line of action to be taken regarding this, and the same should be completed shortly.

CHAIRMAN'S INITIALS

TAX PRINT • MUMBAI-1. PH.: 4347 0909

8. New members in KMP: The two new members of the KMP were introduced at the AGM. Suhel Inamdar, who has joined as us COO, and Aruna Howal, who has joined us as Head – Client Servicing.

h. <u>Re-appointment of Mrs. Shibani Belwalkar (DIN:07733285) who retires by rotation</u>

The Chairman then requested Company secretary to read out the resolution pertaining to re-appointment of re-appointment of Mrs. Shibani Belwalkar, who retires by rotation at this AGM and is eligible for re-appointment set out as item no.2 in the notice. The Company Secretary then read out the resolution which read as follows:

"RESOLVED THAT pursuant to applicable provisions of the Companies Act, 2013, Mrs. Shibani Belwalkar (DIN:07733285), who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby appointed as a Director of the Company."

i. The Chairman then put the resolution to vote. Mrs. Vaishali Vyas proposed and Mr. UrveshVyas seconded the resolution.

j. <u>Appointment of M/s. B. M. Parekh & Co., as Statutory Auditors</u>

k. Then Chairman requested members to appoint M/s. B. M. Parekh & Co., Chartered Accountants as Statutory Auditors of the Company as mentioned in item no.3 of the Noticeand requested Company Secretary to read out the resolution in this regard.

Company Secretary read out the resolution as follows:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed

CHAIRMAN'S INITIALS

JAY PRINT • MUMBAI • PH. 4427 0909

thereunder, as amended from time to time, M/s. B. M. Parekh & Co., Chartered Accountants (Firm Registration No.107448W), Mumbai, be and are hereby appointed as the Statutory Auditors of the Company for a term of 5 consecutive years commencing from the conclusion of this Annual General Meeting (AGM) till the conclusion of the twenty-second AGM of the Company to be held in the year 2023, at such remuneration plus applicable tax and out of Pocket expenses, as may be mutually agreed between the Board of Directors and the Statutory Auditors of the Company."

l. The Chairman then put the resolution to vote. Mr. Rahul Belwalkar proposed and Mr. Kalpesh Vyas seconded the resolution.

16. As all the resolutions were proposed, Company secretary requested the Members present to exercise their right to vote through Ballot form and submit the same into the Ballot box kept for that purpose.

17. As all the business were transacted, with the permission of the Chair, meeting was declared terminated with the vote of thanks at 12:00 p.m.

Entered on 3rd October, 2018

CHAIRMAN
6/10/18

TAX PRINT • MUMBAI - 1. PH.: 4347 0909

Declaration of Results of remote e-voting and voting through Ballot at the Annual General Meeting held on 27th September, 2018

As per the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had provided the facility of remote e-voting and voting through Ballot at the venue of the meeting to enable the Shareholders to cast their votes on the resolutions proposed to be passed in the notice of 17th Annual General Meeting.

The Board of Directors had appointed Mrs. Niyati Mehta, Practicing Company Secretary as the Scrutinizer to conduct the voting process in fair and transparent manner. The Scrutinizer had submitted her report on voting on 28th September, 2018. The consolidated results as per the Scrutinizers report are as follows:

Resolution no.	Particulars	Type of Resolution	% of votes in favour	% of votes against
1.	Adoption of Audited Financial Statements of the Company for the Financial Year ended 31st March, 2018 along with the Reports of the Board of Directors and Auditors thereon.	Ordinary	100.00	0.00
2.	Re-appointment of Mrs. Shibani Belwalkar (DIN: 07733285) who retires by rotation and being eligible, offers herself for re-appointment.	Ordinary	100.00	0.00
3.	Appointment of M/s. B. M. Parekh & Co., (Firm Registration No.107448W) Chartered Accountants as Statutory Auditors of the Company for a period of 5 years.	Ordinary	100.00	0.00

Based on the report of the Scrutinizer, all the resolutions as set out in the Notice of 17th Annual General Meeting have been duly approved by the Shareholders with the Requisite Majority.

CHAIRMAN

CHAIRMAN'S INITIALS

JAX PRINT • MUMBAI