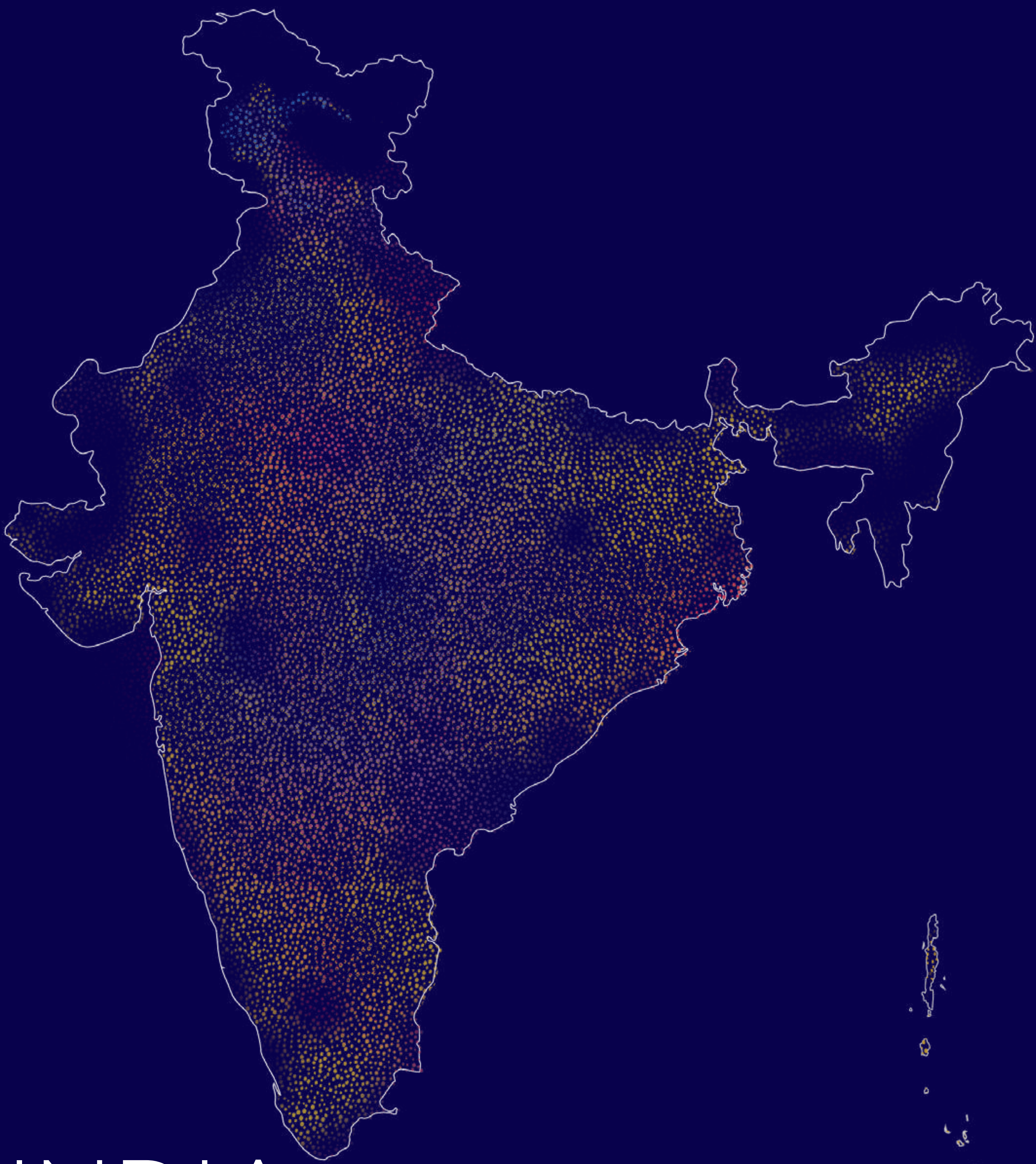
Annual Report
2023-24

CMS
Connecting Commerce®



INDIA, UNINTERRUPTED

Index

The network of CMS Info Systems spans across the country, providing uninterrupted services for our customers who depend on us to serve hundreds of millions of Indians safely, securely, 24X7.

- ATMs
- Retail Touchpoints
- AIoT Remote Monitoring Site

Performance Highlights for FY24

₹ 2,265 Cr
Revenue
18% YoY growth

₹ 641 Cr
Adj. EBITDA
16% YoY growth

₹ 375 Cr
Adj. PAT
23% YoY growth

28.3%
Adj. EBITDA Margin

69%
OCF/Adj. EBITDA

27.4%
RoCE (post-tax)

PAT, EBITDA and RoCE adjusted for ESOP expenses

India, Uninterrupted

At CMS, we work relentlessly to ensure that every Indian experiences inclusive, accessible, and secure formal banking services across the country. Our logistics and technology solutions connect banks, businesses, retail merchants, and consumers by making transactions seamless and uninterrupted.

We help people access banking services in remote areas by reaching altitudes over

21,000 ft

in Ladakh via the Namikala Pass near India's LoC at Kerey village

We facilitate formal banking services through helicopter from Rudraprayag to Guptkashi to Kedarnath temple at

11,755 ft

We cover

10 Lakh kms

every month across India to power formal banking services for Indian citizens

Technology Solutions Driving Consumer Experience and Safety

With a complete suite of self-service and branch automation solutions, we enable unified banking experience to consumers. Our software solution is a central component of bank's digital strategy delivering personalized products and services to its customers. With real-time monitoring and reporting, our AIoT Remote Monitoring Solution also offers business insights to our enterprise customers.

40,000+
Automation machines installed

95%+
ATM uptime delivered

1,800
Mishaps prevented using AIoT Remote Monitoring Solution

India's Leading Business Services Platform

We operate as an integrated business platform for BFSI and Retail sectors, strengthened by advanced technology, strong process and governance. We help execute complex projects at scale thereby helping our customers increase their network and reach while delivering a superior customer experience.

OUR STRENGTHS

Network & Execution

Our nationwide network is unmatched with a reach across 97% of India's districts. With our efficient cash logistics services and managed services network, we facilitate seamless access to money and support banks' and retailers' expansion plans. Our execution capabilities of complex and large-scale projects are our right-to-win.

Employees

With over 25,000 employees and third-party personnel dispersed across India, our people solve customers' challenges and drive last-mile impact. Our teams display phenomenal dedication and commitment to delivering on-demand service 24x7x365 with zero downtime.

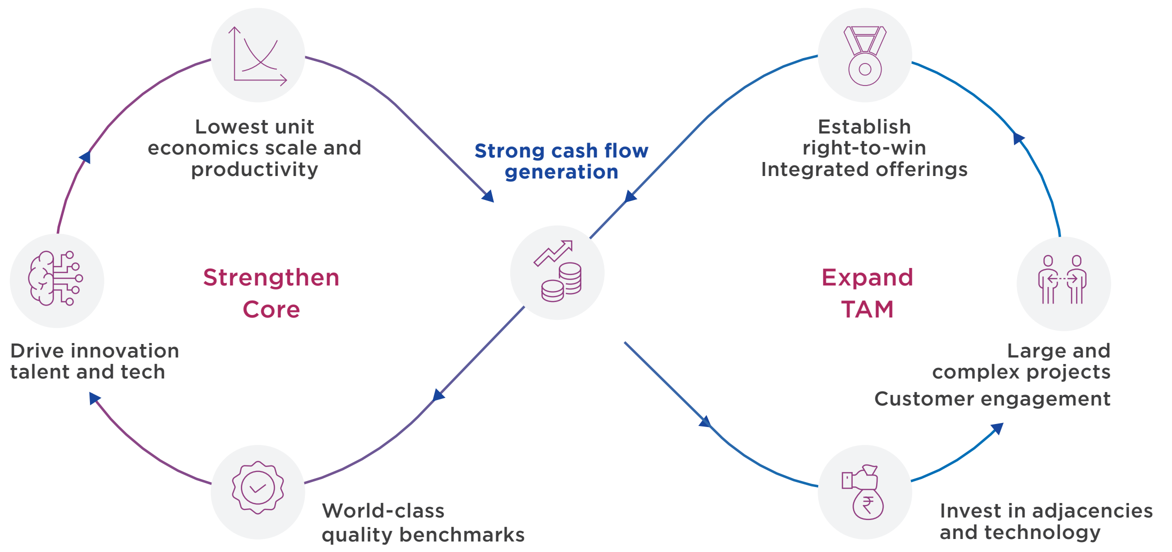
Technology

Our focus on creating a firm technological backbone has enabled us to run our core business efficiently and build new capabilities. We have integrated technology within the operational process by automating tasks and eliminating manual risks with in-house solutions customized for the Indian market.

Governance & Risk Management

Over the last 16 years, we have developed robust governance processes to ensure the reliability and safety of operations. Our systematic risk management framework helps us assess and minimise risks. Our 200+ person strong audit team reinforces our risk management efforts continuously.

OUR PLAYBOOK



CMS AT A GLANCE

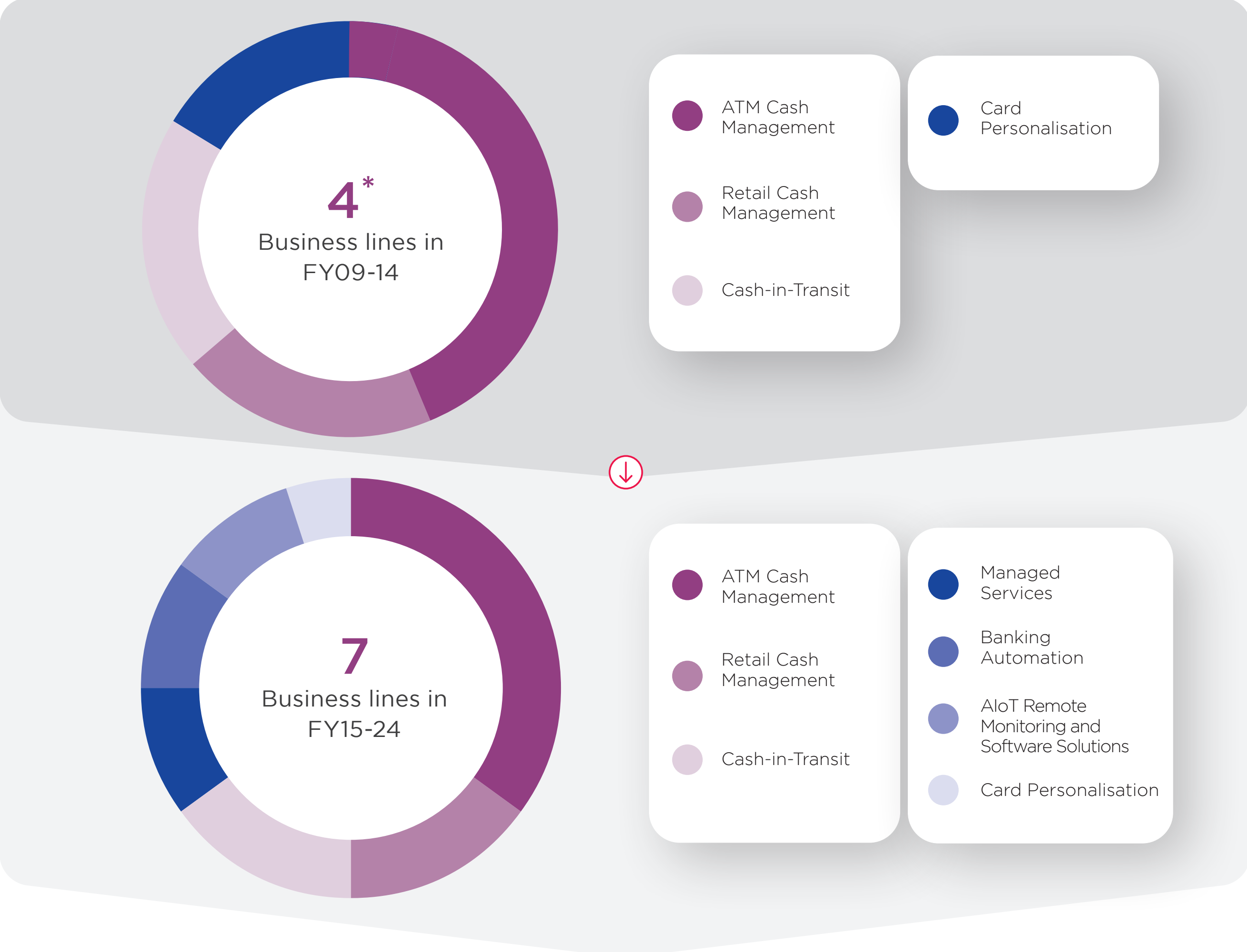
CMS Info Systems has transformed to a key partner for banks, NBFCs, retail and e-commerce companies in India for critical services and solutions. From serving 2 customer sectors across 4 business lines in FY09-14, we today serve 4 industry segments across 7 business lines.

#1
In ATM Software Solutions

#1
In AIoT Remote Monitoring
(Banking sector)

#1
In Cash Logistics

60:40
Revenue mix of Cash Logistics and Managed Services & Tech Solutions#



* Consists of continuing businesses.

61:39 in FY24, rounded up for representation.

Our Solutions and Services

ATM CASH MANAGEMENT

Covering 72,000+ ATMs across India, our services guarantee best ATM network uptime and accessibility. Our services include cash processing, cassette management, ATM replenishment, cash evacuation for banknote accepting/recycling, day-end reporting, and reconciliation.

72,000+
ATMs

64%
ATMs in semi-urban and rural locations*

MANAGED SERVICES

We provide comprehensive management of ATM networks from start to finish through a single point of accountability. Our solution integrates various offerings from the CMS platform, including automation, cash management, and AIoT, to deliver an enhanced experience and ensure 24x7 availability to banks and customers.

18,500+
ATMs managed

75%
Fixed-price model

BANKING AUTOMATION

Our branch transformation solutions enable an effortless and automated consumer banking experience, from manufacturing to maintaining ATMs, currency recyclers, and self-service kiosks.

40,000+
Machines installed

2,000+
ATMs per month production capacity at Chennai plant

* As per CMS internal classification.

RETAIL CASH MANAGEMENT

We collaborate with banks and retailers to provide cash logistics solutions for the retail industry. We facilitate logistics, processing, and reconciliation to deliver superior working capital and risk management through tech solutions.

Integrated Solutions
- Payment Logistics
- Data and Analytics
- Secure Automation
- Payment Reconciliation Management

2,000+
Retail, NBFC, E-Commerce enterprises

65,000+
Touchpoints

AIoT REMOTE MONITORING AND SOFTWARE SOLUTIONS

Our ALGO suite of ATM software solutions seeks to elevate the customer experience while ensuring network security through centralized channel management.

Our advanced remote monitoring solution provides surveillance, analytics and VSaaS services. It offers valuable business insights like energy management, staff monitoring, and site compliance tracking.

25,000+
ATMs, branches and vaults secured with ALGO AIoT

50,000+
ATMs with ALGO MVS

CARD PERSONALIZATION

At our state-of-the-art facility, we offer comprehensive financial card issuance and management services for banks, including card personalization.

10 Mn
Payment cards annually

Visa, Mastercard and RuPay
Certified facility

CASH IN TRANSIT

1,200+
Vans (part of overall 4,500+ fleet size)

12,000+
Bank branches

The CMS Network interconnects bank branches and currency chests. We facilitate seamless and secure intra and inter-city bulk currency transits.

Scaling Our Technology Offerings

ALGO AIoT

Our AIoT Remote Monitoring Solution is a game-changer in the industry, offering businesses valuable insights for energy management, staff monitoring, and site compliance tracking in addition to plain vanilla monitoring services. With real-time monitoring and reporting, it drives efficiency and productivity. Deployed in >25,000 sites across India and connected to >500,000 devices, our service leverages AI and IoT technologies to deliver comprehensive business insights, optimize performance and address site security issues effectively. Our solution adheres to global security standards, and can be customized to meet the specific needs of diverse sectors such as banks, NBFCs, hospitality, warehousing amongst others. Since its launch in 2021, it has successfully prevented >1,800 threats such as unauthorized access, burglary, fraud, glass break and fire & smoke. This CERT-IN certified and customizable solution transforms businesses' operations, providing them with the tools they need to thrive in a rapidly evolving digital landscape.

AI-DRIVEN MONITORING

AI and Video analytics work on the feeds from CCTV cameras and detects potentially suspicious anomalies like intrusions, vibrations, glass breaks, smoke, etc. The system is also continuously learning to better understand and respond to these situations.

VSaaS SOLUTION

Video Surveillance as a Service (VSaaS) solution is deployed on existing security infrastructure to provide site status analytics and real-time business insights through secure web utilities and mobile applications.

HIGH REDUNDANCY

Agents at our 24x7 command centre work over and above the robotics process automation (RPA) to analyse exceptions and eliminate the false alarms. Tickets for all the SOP are verified and resolved by our agents.

SMART CLOUD STORAGE

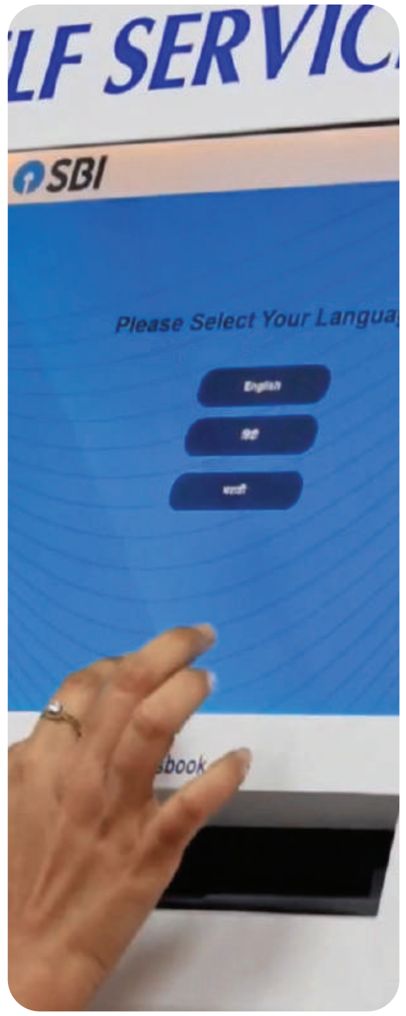
All the data received from the monitoring system is securely stored locally on SSD drives as well as in the cloud with secure encryption offering minimum two levels of secure back up of video footages data.

ALGO MVS

ALGO MVS is a central component of the bank's digital strategy and delivers personalized products and services to customers. It is a made-in-India and customized-for-India solution to help banks realize more from their ATM network. We have developed, commercialized, and implemented the ALGO MVS solution at scale for SBI.

ALGO MVS (Multi-Vendor Software) enables banks to streamline their development and support operations by eliminating the need to maintain and enhance several distinct delivery infrastructures for each new function or service they provide. It helps them centralize their ATM Channel Management to a single central command control to improve the customer experience and ensure the network has the latest security measures.

As a vendor-agnostic software, banks can gain considerable cost and operational advantages by procuring ATM hardware and software components separately without being tied to one vendor for both. Behind the scenes, ALGO MVS allows for remote control monitoring and tracking electronic journals through dashboards, reporting, and security alerts, thus significantly eliminating the need for physical intervention across a large geography.

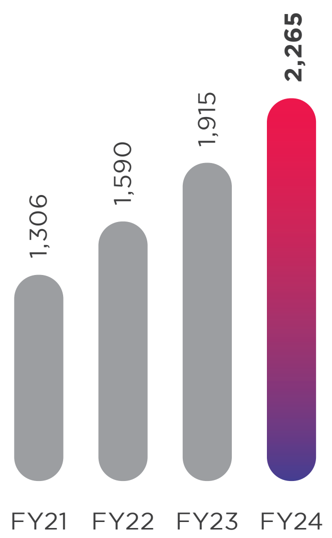


Financial Performance

Robust Growth + Strong Margins = Compounding of Earnings

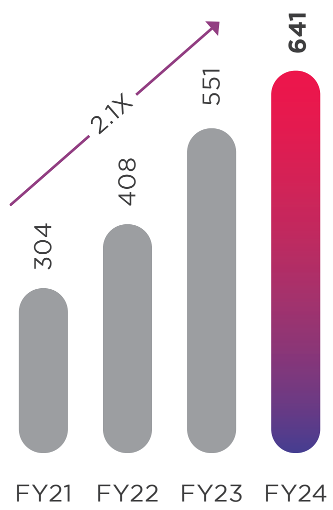
Revenue
(₹ in Cr)

18% ↑



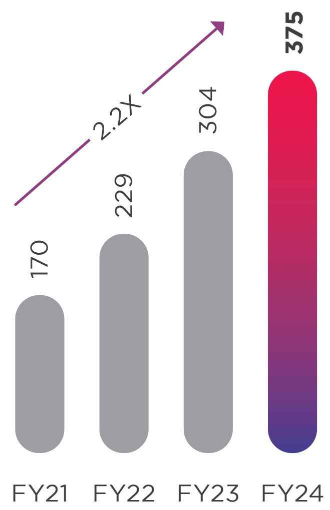
Adjusted EBITDA
(₹ in Cr)

16% ↑



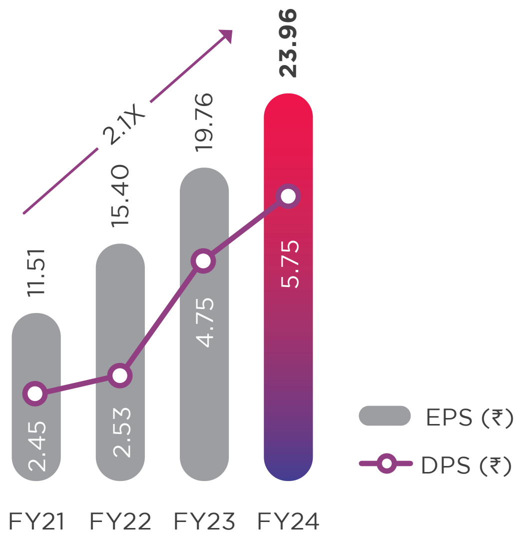
Adjusted Profit After Tax (PAT)
(₹ in Cr)

23% ↑



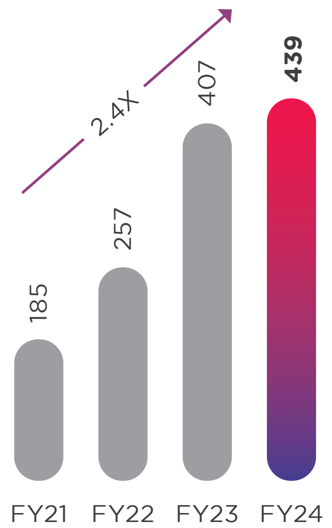
Adjusted Earnings & Dividend Per Share
(₹)

21% ↑



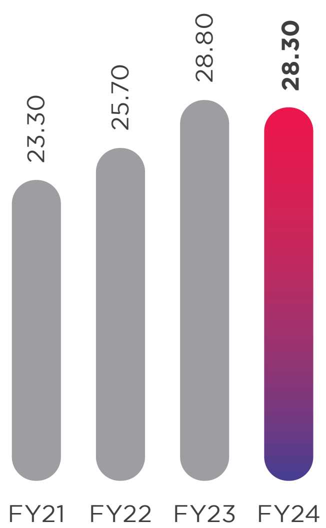
Net Cashflow from Operations
(₹ in Cr)

69%
(OCF/EBITDA in FY24)



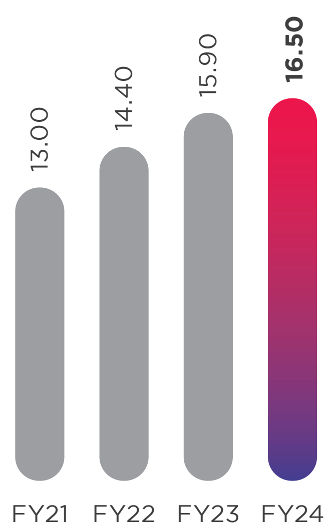
Adjusted EBITDA Margin
(%)

500 bps ▲



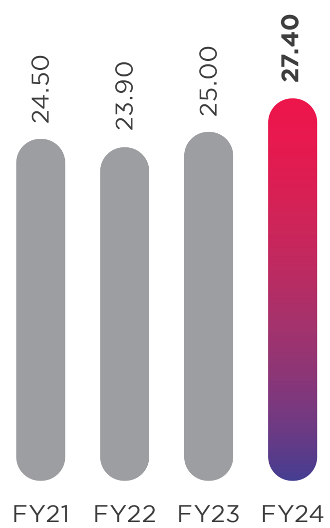
Adjusted PAT Margin
(%)

350 bps ▲



Return on Capital Employed
(%)

25.2% avg ▲



All relevant numbers are adjusted for non-cash ESOP expenses

↑ YoY growth ▲ FY21 - FY24 period

Average capital employed in RoCE computation excludes cash and cash equivalents

Message from CEO

DEAR SHAREHOLDERS,

In 2009, when we started our journey we had an aspiration to make CMSINFO a public institution. We achieved this in February 2024, when our promoters Sion Investment Holdings Pte. Limited (a holding company of leading global private equity firm, EQT) exited their eight year old investment. Today we are amongst a handful of listed firms in India with a 90%+ public shareholding, professionally run and board governed. We embark on our next phase of building this institution with the same team, principles and values which have guided our journey thus far.

I also completed 15 years at CMSINFO, a milestone which I share with more than 1,500 colleagues, almost 10% of our entire team. This long-term approach and commitment is testimony to what makes our work special and relevant to our customers.

In my last letter, I had shared two of our core values: to 'Do more with less' and to 'Stay focused on the long-term'. This year I want to enumerate the unique strengths of our platform, highlight achievements in the last year and share our plans for FY25 and beyond.

WHAT MAKES THE CMSINFO PLATFORM UNIQUE

Our customers respect us for our track record of solving large and complex problems at scale to deliver value for them. We have demonstrated this several times by integrating our in-house full-stack technology capabilities with a deep physical network in India. Gaining customers respect and trust by offering high-quality solutions is our north star. One such high-impact solution is the ALGO MVS (Multi-vendor Software) solution developed and running live at India's largest bank for the past 5 years. The bank sought a transformative solution to manage one of the world's largest and complex ATM networks. We were tasked with building a unified customer interface and to create the ability to rapidly roll out software changes, security updates and to ensure the network runs securely at high availability. This is a perfect example of how we help customers with our technology capabilities and physical network to offer a better consumer experience and enhance their brand value.

FY24: ANOTHER YEAR OF STRONG PERFORMANCE

We continued to deliver robust revenue growth, maintain a high margin profile and generate strong cash flows. Our overall revenues grew 18% and adjusted PAT at 23%. This is our fifth consecutive year of 20%+ earnings growth. We remain very disciplined and judicious about capital allocation and investments. Our ROCE expanded to 27.4% and we had cash reserves of ₹784 Crores, ensuring we maintain a robust balance sheet and have the ability to invest in the right projects and opportunities. The Board has recommended a dividend of 25% of our FY24 PAT, our fifth year of growing dividend payouts.

Our Cash Logistics business grew by 11% and gained market share in all segments, while our Managed Services & Tech Solutions business grew by 35%. The rapid growth in this segment has increased its revenue contribution to 39%, a year ahead of our forecast. Our technology solutions are also helping us deepen enterprise relationships in BFSI, leading to ₹1,850 Crores of new order wins in FY24, growing almost double of FY23 wins. The AIoT Remote Monitoring business has also scaled and crossed ₹100 Crore of revenue in less than 3 years of incubation. We expect the revenue contribution of our Technology Solution businesses to increase from 6% in FY24 to 8-10% in FY25.

As we scale our 7 solutions and service lines, our customers have significantly benefited from our platform approach and the integrated service delivery model. To enhance our capabilities, we have expanded our leadership team by hiring Puneet Bhirani as President - Operations. He joins us with over 27 years of experience across Mphasis, OLA and BYJUs in UK, US and India. His expertise in technology-led operations transformation will help scale CMSINFO through innovation, customer centricity and cost optimization.

FY25 AND BEYOND

Our longer-term growth will be fuelled by three key trends: i) Formalization of the Indian economy, ii) Growth in consumption and iii) Higher end-to-end outsourcing of services by banks.

We are witnessing Indian banks invest significantly in expanding their branch infrastructure, with a view to increase penetration and drive growth. ATMs will be a key automation and customer access channel for this expansion. Further, in urban India, we will have bank branches with more than one ATM. A long-due ATM interchange hike could accelerate this growth.

Similar to the banking sector, the retail sector is also a large long-term growth opportunity. Today, less than one-third of potential retail outlets outsource their cash management to companies like us. We are innovating through our technology offerings as well as delivery models to provide a compelling value proposition to grow this market.

In addition to our organic growth efforts, we are focused on creating new business lines through partnerships and M&A. Each year, we invest a part of our profits for such incubation efforts. The areas we are currently focused on include, end-to-end loan collection solutions, specialized logistics, B2B fintech solutions and banking software. Our strong customer relationships, pan-India physical network, technology capabilities and successful track record of scaling businesses should help us succeed in our goals.

CONCLUDING THOUGHTS

We run a complex business with solid execution capabilities to solve tough customer problems at scale. In fact we are the only company globally which has expanded successfully from cash logistics into technology adjacencies with a healthy revenue mix of 60:40 across the two businesses. BFSI and retail sectors present us with multiple avenues for growth in the coming years. For FY25, we are confident of achieving our target guidance of doubling our revenue from FY21. We expect FY25 revenue to be in the ₹2,600-2,700 Crores range, a 15-19% revenue growth over FY24. I would like to take this opportunity to thank our outgoing board members, Ms. Manju Agarwal and Mr. Ashish Agrawal, for their unwavering support and guidance. Their contributions have been significant in shaping our company's strategy and maintaining a robust governance framework.

I am grateful to our 1.6 lakh+ shareholders, our customers and the entire CMSINFO team for the confidence and trust reposed in us. We are excited by the opportunities ahead and look forward to setting new milestones in our journey of transformation, growth and compounding shareholder value.

Thank you,

RAJIV KAUL

Executive Vice Chairman, Whole-time Director and CEO

"Our customers respect us for our track record of solving large and complex problems at scale to deliver value for them. We have demonstrated this several times by integrating our in-house full-stack technology capabilities with the deepest physical network in India."

Integrated Platform Delivering Customer Value and Growth

We have grown into a broad business services platform offering 7 distinct solutions. Starting with Banks, we today have expanded our customer segment to include Retail, E-Commerce, NBFC and Insurance sectors.

Market Leader

We lead the market in cash logistics and hold the top position in software and banking AIoT remote monitoring. We also stand out as a unique player, offering a comprehensive suite of services ranging from automation to ATM-as-a-Service and tech solutions tailored for BFSI, Organised Retail and e-commerce.

#1

In 3 distinct business lines

Providing a Breadth of Unique Solutions

We help our customers enhance efficiency and productivity by reducing costs across multiple facets of operations in banking & retail sectors through unique services and technology solutions.

7

Unique solutions offered in banking & retail sectors

Integrated Platform with Right-to-Win

Our logistics and technology platform with extensive network helps position CMS as a strategic partner for end-to-end outsourcing with banks, resulting in consistent new order wins of ₹1,850 Cr in FY24.

95%

Growth in new order wins in FY24

Established Team with Proven Track Record

Our management team combines experience and great ownership mindset with deep industry know-how. This has solidified our position as industry leaders, enabling us to drive future growth through adjacencies.

15+ years

Average experience of leadership team

Deepening Enterprise Engagement

CMS Platform is driving deeper and wider penetration with leading PSU and Private sector banks. We aspire to seize opportunities from India's expanding banking sector as we capture a wider share of their outsourcing spends.

8

Customers with ₹100 Cr+ annual revenues in FY24, up from 3 in FY22

Strong Growth & Return Profile

We have a strong financial track record marked by world-class margin profiles, strategic capital allocation and investments which allow us to operate debt-free, boasting a high cash flow generation and an enviable AA+ rating.

17%

Revenue CAGR FY09-FY24

Cash Usage Trends in the Indian Economy

The CMS Consumption Report 2024 titled 'Unfolding India's Consumption Story' spotlights the consumption trends and hotspots of India, driven by increased cash based spends.

KEY CONSUMPTION TRENDS OF FY24

FMCG

16.76%

Annual growth in average spending in FY24

Consumer Durables

3.74%

Annual growth in average spending in FY24

Indians moving beyond the 'roti, kapda, makaan' paradigm

Easing inflation and rising consumer demand coupled with a narrowing of the urban-rural divide is fuelling growth in FMCG and Consumer Durables.

Aviation

6.36%

Annual growth in average spending in FY24

Railways

8.16%

Annual growth in average spending in FY24

Rise of the travel economy

The proliferation of millennials and rising per capita incomes are engendering a travel economy in India with Indians eschewing the consumption of goods in favor of experiences that can range from travel and leisure to fine dining.

The report titled 'How Urban India Pays' by Amazon Pay and Kearney based on survey responses of more than 6,000 consumers and 1,000 merchants across 120 cities, reflects Indian consumer payment preferences.

KEY HIGHLIGHTS OF THE REPORT

51%

Respondents prefer cash due to internet issues, especially women in small towns and the aspiring income segment

60%

Merchants said they prefer cash for immediate receipt of payment

52%

Aspiring and middle-class respondents prefer cash for offline transactions

30%

Overall transactions by Gen Z are in cash

Source: How Urban India Pays 2024 Report

Scan the QR code to download copy of the report.

Our Growth Drivers

CMS's growth is closely tied to the consumption and formalization of the Indian economy. Our business strategy capitalizes on the consumption and outsourcing opportunities India has to offer, a country on track to become a $ 7 Trillion economy by 2030.

BANKS AT THE CENTER OF A GROWING FORMALISED ECONOMY

Indian banks play a pivotal role in the nation's burgeoning economy. As the primary financial intermediaries, they facilitate capital allocation, credit extension, and liquidity management, which are vital for economic expansion and formalisation. Indian banks are in a Goldilocks moment, with retailization driving credit growth.

7.5%

Average growth forecast for India, over the next five years

Source: Nomura Research

Our Strategy

We are a strategic extension to banks as their critical infrastructure solutions provider. We help financial institutions serve their customers better by transforming banking experiences.

GROWTH IN DOMESTIC CONSUMPTION

India experiences robust growth in domestic consumption, fueled by several factors. An expanding middle class, rising urbanization, and increasing disposable incomes contribute significantly. Additionally, government initiatives promoting financial inclusion and rural development bolster purchasing power in previously underserved regions.

60%

Contribution to India's GDP Growth

Source: MOSPI

Our Strategy

Our overarching goal is to establish ourselves as India's foremost business services platform, harnessing our extensive network, advanced technology, and solution-oriented approach to address complex challenges for our banking, financial services, insurance and retail customers.

With banks serving as the backbone of the booming economy, their current expansion, complemented by the growth in the retail sector, is poised to further outsourcing opportunities in India.

INCREASED OUTSOURCING LEADING TO TAM EXPANSION

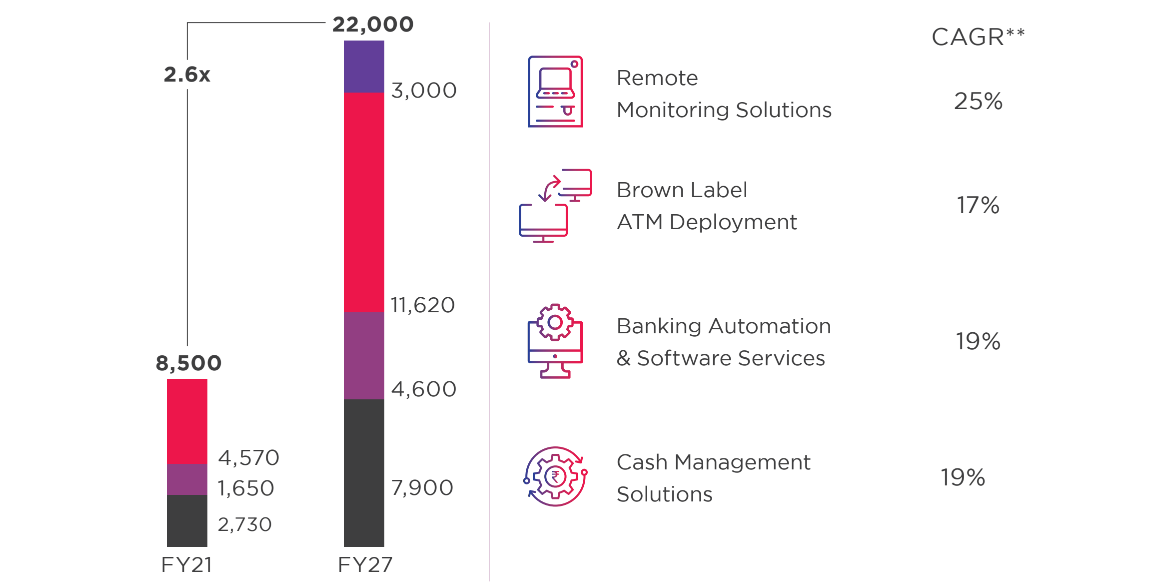
There are clear drivers towards higher outsourcing across all our current lines of business. In Cash Logistics, there are more than 100,000 ATMs that are yet to be outsourced. The organized retail sector is growing at 8% to 10% annually, with 550,000+ touch points, and only less than 1/3rd of these currently outsourced for cash management. In Managed Services and Technology Solutions, there continues to be a strong growth opportunity linked to both the refresh and expansion cycle in the banking sector with ATM management to shift from being bank-owned to being outsourced. The AIoT Remote Monitoring business presents a large untapped opportunity within the banking and the broader BFSI sector as well as non-BFSI sectors.

Our Strategy

We are well-positioned in the industry to capitalise on the growing opportunity across banking & retail sectors. Our integrated offering, strong presence across 97% Indian districts, technology capabilities and complex project execution ability differentiates us.

Total Addressable Market for CMS Info Systems

₹ Cr



* Total TAM is lower than gross sum because of some overlap between Cash Management and BLA.

** FY21-FY27 CAGR for the market opportunity.

Enabling Access to Financial Inclusion

We help to distribute the pensions for the Government of Odisha across 20+ districts, ensuring timely access for retired citizens.

We also help support our banking partners in Gujarat's rural areas by facilitating seamless access to money for dairy farmers. Our platform enables last-mile solution for real-time credit and instant cash withdrawals.

2,000+
Gram Panchayats covered

100
Milk societies and

1 Lakh
Diary farmers benefited

Driving Meaningful Social Impact Amongst Underserved Communities

We ensure holistic value creation as a responsible corporate, focusing on several areas. We positively impact lives by improving livelihoods and driving prosperity in underprivileged communities through social interventions across diverse populations. We take pride in our efforts to geographically connect every corner with opportunities for sustainable development.

11,500+
people benefited from our initiatives towards improving livelihoods

7,000+
people benefited from our initiatives towards providing quality education

96,000+
people benefited from our healthcare initiatives

2,000+
people benefited from our initiatives towards improving elderly care

OVER THE LAST 3 YEARS

₹ 14.4 Cr
spent towards CSR activities

Healthcare: CMS van repurposed to mobile ambulance to enable emergency medical care

CMS FOUNDATION

We established the CMS Info Foundation at the end of FY23 to extend the CSR endeavors of our Company, aiming for a broader reach and more profound impact. As a Foundation, we identify areas for development and livelihood enhancement, chaneling our resources to effect meaningful change. Our focus now spans Livelihood Support, with a special emphasis on women and youth, Healthcare Support, including the elderly and differently-abled, Environment Support, and Financial Inclusion through the convergence of government schemes.


Environment: Urban forestation drive using Japanese technique at Food Corporation of India, Mumbai

ENVIRONMENT

We conducted various tree plantation drives, ranging from fruit, timber, and medicinal trees in villages to urban forests in Mumbai, providing a sustainable source of income for villagers. Additionally, our women livelihood project involves planting 50,000 moringa trees, benefiting the environment while providing livelihood opportunities. By September 2024, we aim to have planted approximately 54,000 trees.

Our environmental support extends to water conservation projects in aspirational districts across Chhattisgarh, Madhya Pradesh, and Gujarat. These initiatives collectively aim to save 6.14 Billion liters of water during the monsoon season, contributing to sustainable water management and environmental preservation.

~1,05,000
Trees planted

6.14 Bn Lt
of water conserved

HEALTHCARE

We recognize the importance of healthcare and equitable access to healthcare services. We focus on addressing the healthcare needs of the marginalized communities and have repurposed our fleet vehicles into fully-equipped ambulances and medical mobile units, including specialized cardiac facilities which facilitate medical services' direct delivery to inaccessible villages and towns. Furthermore, we financially support a community of 60 elderly and homeless individuals, ensuring their access to healthcare and promoting a healthy life.

Similarly, our Medical Mobile Unit operational in Mumbai's slums aims to benefit over 30,000 beneficiaries within a year of its inception in January 2024. Additionally, we prioritize our drivers' well-being, organizing eye camps, providing eyeglasses, and facilitating cataract surgeries as necessary. We also assist low-income communities in enrolling for government health benefits, alleviating their financial burdens and promoting overall welfare and a more productive workforce among our stakeholders.

~39,000
Lives impacted via our healthcare initiatives

120
Unique cases of mental and physical health issues addressed

Blood Donation Drive: 130 CMS employees came forward to donate blood across CMS offices in Mumbai

Livelihood: A Tailoring Training Program in Thirupullani, Tamil Nadu

WOMEN EMPOWERMENT

We believe in empowering women as a catalyst for societal transformation, extending our support through various programs. We launched programs in aspirational districts, aiming to train 680 women across four districts within three months. Additionally, we initiated a waste management project empowering 55 women to collect and segregate waste, promoting environmental sustainability while enabling their livelihoods.

We are actively promoting financial inclusion and government scheme enrolment among women through a new initiative which is expected to improve the livelihood of around 20,000 women within a year.

20,000
Women impacted by financial inclusion and government scheme enrolments

680
Women in aspirational districts provided with skill training and market connects

255
Women supported with apiculture techniques and other skills

Elderly Care: 125 volunteers undergo Geriatric Care Training at the Aaji Care Sevak Foundation in Maharashtra

SKILL DEVELOPMENT

We have initiated youth training programs aimed at enhancing their employability skills, ensuring alignment with market demands. These comprehensive programs include digital and financial literacy components, with a commitment to achieving a 75-80% placement rate. Additionally, we provided specialized skills training to differently abled individuals, collaborating with institutes to empower visually impaired women and mentally challenged individuals, building confidence and facilitating their contribution to livelihoods.

~400
Youth trained in Elderly Care, Employability Skills and Retail Sales

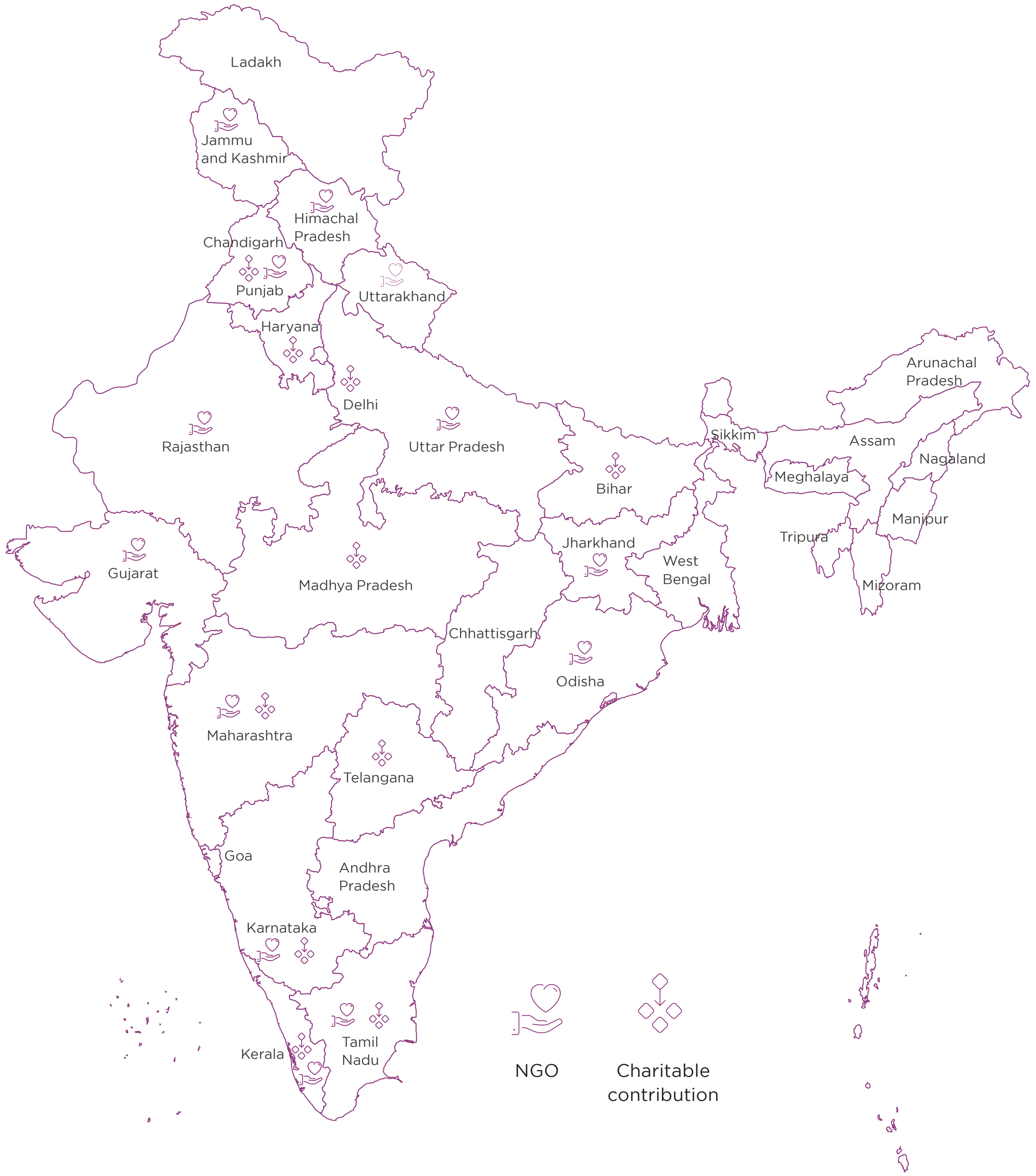
56
Differently-abled individuals provided with income generation skills

ELDERLY CARE

During the year, we introduced a Certificate Program in Geriatric Care, designed to equip 120 volunteers (out of which around 95 were women) with essential skills over a 9-month period. These programs are meant to promote personal development and self-reliance, we are aiming to achieve 90% employment for the participants in the program.

120
Volunteers trained in the Geriatric Care Program for future employment

Our CSR Presence



Map not to scale

Major Partners in our CSR Journey

LIVELIHOOD

- Aaji Care Sevak Foundation
- Manuvikasa
- Jaljeevika
- Vikas Vyakti Kendra India
- The Lotus Petal Foundation
- VAPS
- Satya Jothi Little Flower School for the Blind and Deaf
- The Gateway Trust
- ActionAid Eductrain Foundation
- SEEDS
- SMART

HEALTH CARE

- The Hemkunt Foundation
- Mission for Vision
- Sangopita
- Mother Teresa Foundation
- The Tiger Centre

ENVIRONMENT

- Zero Waste Academy
- ABHYUDAY Sansthan
- Deeksha
- My Green Society
- Shikhar Yuva Manch

CHARITABLE CONTRIBUTION PARTNERS

1. System Research Society
2. Har Mandir School
3. Keshav Srushti
4. Ugam Education Foundation
5. GiftAbled
6. Anjeze Charitable Trust
7. Manray Foundation

Passion. Performance. Pride.

We operate a critical service for the country by solving customers' challenges and adapting to evolving market conditions to drive last-mile impact. We are passionate about making a real difference. People play an integral role at CMS and their commitment and passion help us power India uninterrupted. All CMSites have one thing in common –
We love what we do, and we get things done!

CMS Ascent Training Program for leadership development

25,000+
Employees and associates

1,700+
Employees have spent over a decade with us

83
Employee engagement score

EMPLOYEE LOYALTY AND COMMITMENT: DRIVING GROWTH AND ENABLING FINANCIAL INCLUSION

Our organization has experienced remarkable growth and progress, which can be attributed to the loyalty and commitment of our employees. We have 1,500 CMSites who completed 15 years with the organization, of which 250 have completed 20 years with us. Their dedication to our mission and their continuous efforts have been instrumental in helping CMS set the gold standard for delivering high-quality mission-critical services across India and become a key partner for banks enabling financial inclusion.

Women Power: CMS employees at an all-women branch running operations, in Pune

CHAMPIONING OUR MISSION

Our employees have consistently demonstrated a deep-seated commitment to our purpose of making formal banking services accessible to all. Through various initiatives and projects, they have worked tirelessly to bring our vision of financial inclusion to life. This commitment is reflected in the numerous success stories and positive feedback we receive from the trust our customers repose in us and the communities we serve.

FOSTERING A CULTURE OF GROWTH

We believe that the growth of our organization is intrinsically linked to the growth of our employees. Over the past year, we have invested in multiple experiential development programs, enabling our team members to enhance their skills and advance their careers.

Ascent

Leadership Development Journey for high potential critical talent with 2,400+ learning hours spread over 3 phases: Basecamp, Climb & Summit.

Elevate

A tailored program to meet the ambitions of our aspiring branch operations managers and equip them with the requisite leadership skills to transition into first-time leadership roles as branch managers and excel in a rapidly evolving business landscape.

Propel

Designed to empower our high-performing engineers in Managed Services & Technology Solutions business with a growth mindset and the essential skills to transition from field staff to managerial roles effectively.

Workplace Effectiveness: CMS Elevate Training Program designed to enhance functional and behavioral skills

ENGAGING OUR WORKFORCE AND COMMITMENT TO INCLUSION

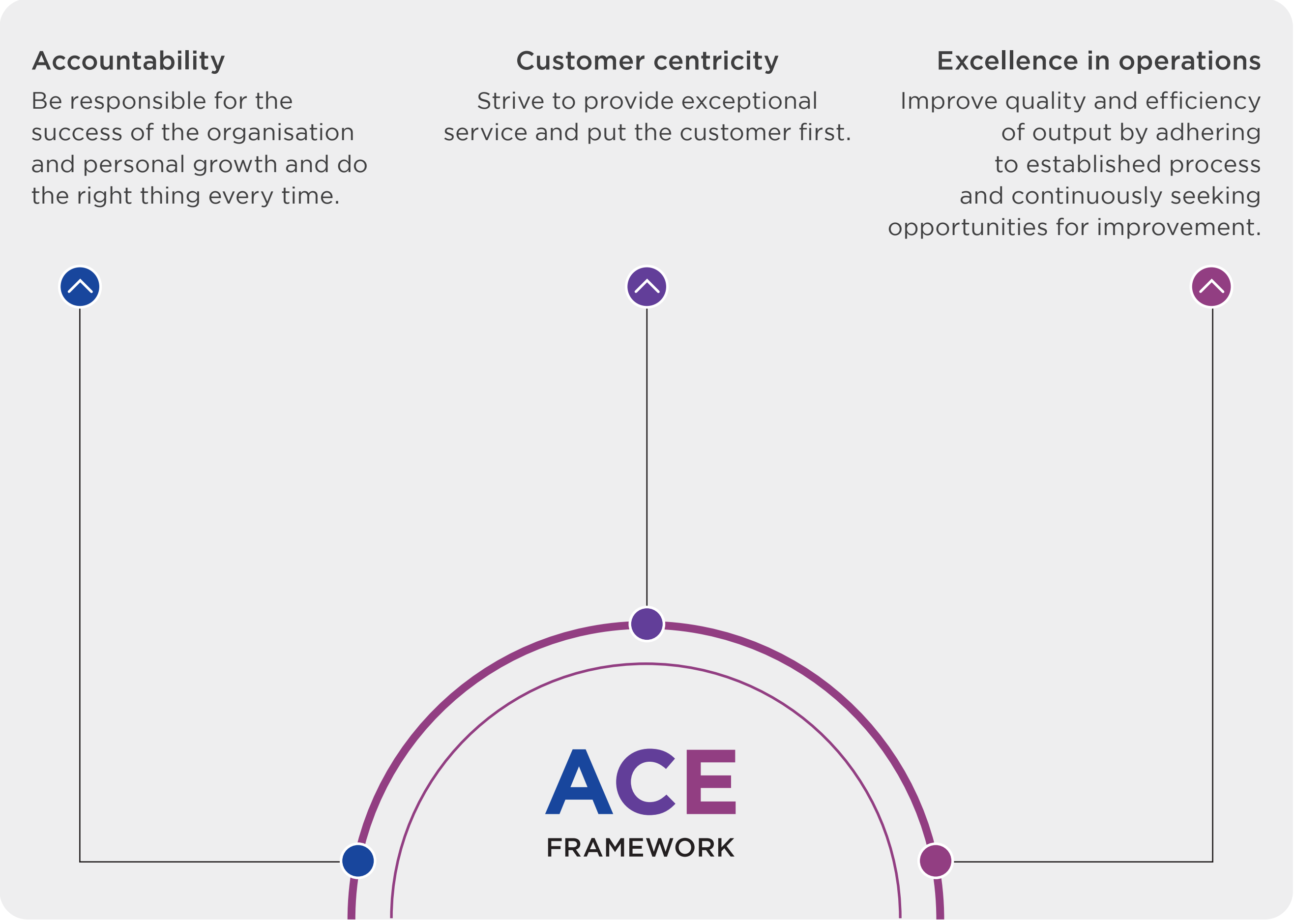
The core DNA of our organization values a culture where every voice is heard and valued, and every employee feels connected to the pulse of the organization. Our employee engagement score of 83% is at par with industry standards, indicating a highly engaged and motivated workforce. Our commitment to financial inclusion is reflected equally in our internal policies as we strive to create a workplace that mirrors the diversity and inclusivity we aim to promote in the broader financial ecosystem. 76% workforce of our workforce are from Tier II and Tier III cities in the country and 46% of our leadership and governance roles have ex-armed and civil forces personnel.

76%
People employed outside metros and Tier-I cities in India

46%
Employees from armed & civil forces in leadership & governance roles

ENABLING OUR WORKFORCE TO MAKE A DIFFERENCE THROUGH 'ACE'

We have cultivated an environment where our employees engage in continuous learning, encountering new opportunities daily. Our employees are both challenged and empowered, working towards goals that transcend individual ambitions.



Good Governance: CMS field members undergo Compliance Refresher Training Program aligned to RBI guidelines at regular intervals

CELEBRATING OUR PEOPLE

The achievements of the past year are a direct result of our people's efforts. Our employees have gone above and beyond to develop and implement solutions and execute complex projects that addresses the unique financial needs of underserved communities. During the year, we transformed our performance management process and equally celebrated our employees' commitment, recognizing their dedication as the driving force behind our customers' success. We conducted 50 'Long Service Award' ceremonies across the organization and honored 1,520 employees who achieved the prestigious milestone of completing 15 years with us.

LOOKING AHEAD

As we look to the future, we remain committed to our mission of financial inclusion. We will continue to invest in our employees, fostering a culture of loyalty, growth, and purpose. Together, we will build on our successes and continue to drive positive change in the financial sector, ensuring that everyone, regardless of their background or circumstances, has access to the financial tools and resources they need to thrive.

In conclusion, our employees are the backbone of our organization. Their loyalty, commitment, and shared sense of purpose have been and will continue to be the key drivers of our growth and success. We are immensely proud of their contributions and look forward to achieving even greater milestones together in the years to come.

Board of Directors

SHYAMALA GOPINATH

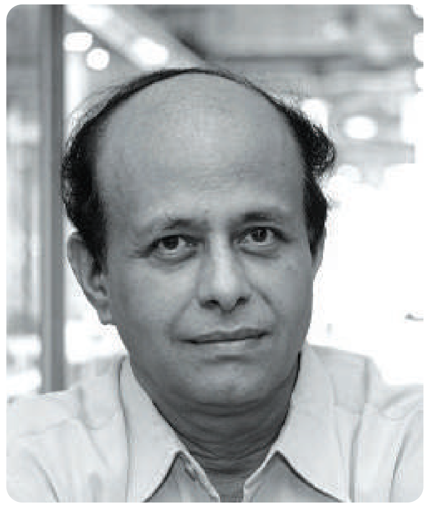
Chairperson and Non-executive Director

She holds a Master's degree in Commerce from the University of Mysore. She is a certified associate member of the Indian Institute of Bankers and an honorary fellow of the Indian Institute of Banking and Finance. In the past, she has served as the Deputy Governor of the RBI, as Chairperson of the Advisory Board on Bank, Commercial and Financial Frauds of the Central Vigilance Commission and Chairperson of HDFC Bank Limited.

SAYALI KARANJKAR

Non-executive Independent Director

Sayali Karanjkar is the Co-Founder of PaySense, a leading consumer lending company where she led the business, growth and operations functions and was the Chief Business Officer of PayU Credit India. Prior to PaySense, Ms. Karanjkar spent 15+ years in US and Singapore with AT&T in California and with AT Kearney in Chicago. She holds an MBA from the Kellogg School of Management, a Masters in Engineering Management from Northwestern University and a Bachelors degree from the National University of Singapore.



TAPAN RAY

Non-executive Independent Director

He holds a Bachelor's degree in Engineering, with specialisation in mechanical engineering from Indian Institute of Technology, Delhi; a Bachelor's degree in Law from Maharaja Sayajirao University of Baroda. He is a retired Indian Administrative officer wherein he served as the Secretary to the Ministry of Corporate Affairs, Government of India. Currently, he serves as the Managing Director and Group CEO of GIFT City, Gandhinagar, Gujarat.

JIMMY LACHMANDAS MAHTANI

Non-executive Director

He has over 21 years of experience in private equity and investment banking. He has been associated with BPEA EQT since 2006 and currently serves as the Managing Director for private equity investment in India. Prior to BPEA EQT, he was associated with General Atlantic Partners (Mumbai) in the capacity of a Vice-president. He holds a Bachelor's degree in Science and Business Administration, triple major in finance, marketing and international business from Georgetown University.

KRZYSZTOF WIESLAW JAMROZ

Non-executive Director

He has over 20 years of experience in logistics, cash management and investment banking. He presently serves as Executive Chairman on the Board of Roadrunner Transportation Systems and Executive Chairman of Ascent Global Logistics. Previously, he was associated with GardaWorld Corporation as its Cash Services President & Chief Operating Officer. He serves as the Governor of the Royal Ontario Museum ('ROM'). He holds a Bachelor's degree in Business Studies from Birmingham City University and an MBA from Schulich School of Business, York University, Canada.

RAJIV KAUL

Executive Vice Chairman, Whole-time Director and CEO

He has been associated with CMS since inception. Rajiv has over 30 years of experience across the technology, private equity and business services sectors. Prior to his association with CMS, he worked with Actis Capital LLP, London, as a Partner and with Microsoft Corporation (India) Private Limited as its Managing Director, India. He was formerly a member of RBI's Committee on Currency Movement. In the past, he has been associated with NASSCOM. He holds a Bachelors degree in Engineering from Birla Institute of Technology, Mesra and a Postgraduate Diploma in Business Management from XLRI, Jamshedpur.

Leadership Team

RAJIV KAUL
Exec VC, WTD and CEO

PANKAJ KHANDELWAL
President & CFO

ANUSH RAGHAVAN
President – Cash Management

MANJUNATH RAO
President – Managed Services

PUNEET BHIRANI
President – Operations

SANJAY SINGH
CHRO

RAJEEV BHATIA
CIO

VIJAY IYER
SVP – Cash Management

MRYDUL VATS
SVP – Sales

DEEPAK BHAGCHANDANEY
SVP – Managed Services

ARINDAM BISWAS
VP – Business Finance

HEMANT CHOPRA
VP – Corporate Finance

Board's Report

Dear Members,

Your Directors have pleasure in presenting the Seventeenth Annual Report of CMS Info Systems Limited **('the Company' or 'CMS')** together with the Audited Standalone and Consolidated Financial Statements for the financial year ended March 31, 2024.

FINANCIAL HIGHLIGHTS

Summary of the Company's financial performance on Standalone and Consolidated basis during the financial year ended March 31, 2024 was as follows:

(₹ in Million)

Particulars	Standalone		Consolidated	
	2024	2023	2024	2023
Revenue from Operations	20,468.38	17,038.04	22,646.77	19,147.30
Total Expenditure	16,657.92	13,655.00	18,316.33	15,284.31
Net Profit Before tax	4,588.69	3,650.81	4,670.59	4,010.17
Profit for the year	3,542.18	2,754.07	3,471.41	2,972.36
Equity Share Capital	1,627.62	1,544.00	1,627.62	1,544.00
Other Equity	17,263.68	13,423.11	17,839.97	14,080.55
Net Block	7,270.26	7,527.17	8,358.81	8,693.31
Net Current Assets	9,542.01	6,001.68	10,665.56	7,139.78
Cash and Cash Equivalents (including bank balances)	2,388.59	1,047.55	2,670.14	1,562.52
Earnings per Share				
(Basic) (in ₹)	22.67	17.90	22.22	19.31
(Diluted) (in ₹)	21.82	17.30	21.39	18.67

During the financial year 2023-24, the Company continued on its robust growth path and was successful in delivering yet another year of strong Operational and Financial performance. The Standalone revenue from operations at ₹ 20,468.38 million represents an increase of over 20.13 %. During the year under review, the Company has reported a Profit before Tax of ₹ 4,588.69 million on standalone basis as compared to ₹ 3,650.81 million in FY23. Net profit grew to ₹ 3,542.18 million in 2023-24 from ₹ 2,754.07 million in 2022-23 thereby registering a robust growth of 28.62%.

Further, the Company's consolidated revenue from operations is ₹ 22,646.77 million, representing an increase of 18.28 % over FY23. During the year under review, the Company has reported a consolidated Profit before Tax of ₹ 4,670.59 million as compared to ₹ 4,010.17 million in FY23. Consolidated Net profit of ₹ 3471.41 million for the FY24 is higher by 16.79% over FY23.

The Standalone basic EPS of the Company stood at ₹ 22.67 for the financial year ended March 31, 2024 as against ₹ 17.90 for the financial year ended March 31, 2023 and diluted EPS stood at ₹ 21.82 as against ₹ 17.30 in FY23.

BUSINESS OVERVIEW / COMPANY'S PERFORMANCE

CMS is one of the leading business services company providing logistics and technology solutions to banks, financial institutions, organized retail, and e-commerce companies in India. The Company facilitates financial inclusion in the economy by providing access to formal banking services and facilitating seamless cash-based payments for Indians.

CMS operates in two major business segments

1. Cash Logistics
2. Managed Services

CASH LOGISTICS

CMS continues to be the market leader in Cash Logistics with pole position across all segments of the industry, viz., ATM Cash Management, Retail Cash Management (RCM) and Cash-in-Transit (CIT). The Company has around 40% revenue share of the total organized cash logistics market in India.

We continue to see healthy growth in volume as well as realizations across all our Cash Logistics business. Our total business points for cash logistics (across ATM and retail) have grown from 124,000 in March 2023 to 137,000 by March 2024, which translates to an annual growth in excess of 10%.

MANAGED SERVICES BUSINESS

Our Managed Services business was incubated around ten years ago riding on CMS' strength in the Cash Logistics business. Over the years, we have built capabilities across software, banking automation and integrated ATM-as-a-service offerings. CMS, with its enhanced competitiveness across the value chain and integrated offering that also includes a ATM manufacturing facility in Chennai and in-house AIoT Remote Monitoring Solution stack, has been able to register its best-ever year for new order wins in the financial year 2024, clocking orders aggregating to ₹ 18,500 million in Managed Services and Technology Solutions. This represents nearly doubling of the order wins during financial year 2024.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

DIVIDEND DISTRIBUTION POLICY

The Company has formulated and adopted its Dividend Distribution Policy in compliance with the requirements of regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Pursuant to the Policy, the Board shall determine the dividend for a particular period based on available financial resources, business requirements and taking into account optimal shareholder return, and other parameters described in this policy.

A copy of the same is available on the Company's Website at www.cms.com.

DIVIDEND AND TRANSFER TO RESERVES

During the financial year 2024, the Board of Directors of the Company had in its meeting held on January 24, 2024, declared an interim dividend of ₹ 2.50 per equity share on face value of ₹10/- each. The same was paid to all the members who held shares of the Company as on the record date of February 6, 2024.

Considering the impressive performance and a robust cash flow, the Board has now recommended a further final Dividend of ₹ 3.25 (32.50%) per equity share of the face value of ₹ 10/- each out of the Profits for the financial year ended March 31, 2024. The final dividend, if approved by the shareholders at the ensuing Annual General Meeting of the Company, shall be payable to those Shareholders whose names appear in the register of Members as on May 28, 2024, which has been fixed as the Record Date for the purpose.

Consequent to the above the total dividend declared by the Company during the year will amount to ₹ 5.75/- per equity share on face value of ₹10/- each i.e., 57.50% for the financial year ended March 31, 2024, which is in alignment with the Dividend Distribution Policy of the Company.

The Board does not propose to transfer any amount to the General Reserves for the financial year ended March 31, 2024.

SUBSIDIARIES

As on March 31, 2024, the Company had following 6 subsidiaries:

1. Securitrans India Private Limited
2. CMS Securitas Limited
3. CMS Marshall Limited
4. Quality Logistics Services Private Limited
5. Hemabh Technology Private Limited
6. CMS Info Foundation (a non-profit organization incorporated under Section 8 of the Companies Act, 2013)

The Company did not have any joint venture/associate Company(ies) as on March 31, 2024. During the year under review, none of the Companies ceased to be a subsidiary of the Company.

In compliance with Section 129(3) of the Companies Act, 2013 ("Act") the consolidated financial statements of the Company for the FY24 prepared in accordance with Ind AS 110-Consolidated Financial Statements and "SEBI Listing Regulations" is enclosed as a part of this Annual Report.

Further the salient features of financial statements, performance and financial position of each of the subsidiaries pursuant to the first proviso to Section 129(3) of the Act and Rule 5 and Rule 8(1) of the Companies (Accounts) Rules, 2014, is annexed with the Financial Statements of the Company in prescribed Form AOC -1.

The complete Audited Financial Statements of the Subsidiaries are available on the Company's website at www.cms.com.

MATERIAL SUBSIDIARY

The Company has formulated a Policy for determining Material Subsidiaries and the Policy is available on the website of the Company at www.cms.com. Pursuant to the said Policy, Securitrans India Private Limited was deemed to be a material subsidiary of the Company during the financial year 2024.

However, income and net worth (i.e. paid up capital and free reserves) of Securitrans India Private Limited fell below 10% of the consolidated income and net worth of the Company as on March 31,2024. Accordingly, Securitrans India Private Limited has ceased to be a material subsidiary of CMS Info Systems Limited for the financial year 2025.

SHARE CAPITAL

The paid-up share capital of the Company was ₹ 1,627,622,910/- divided into 162,762,291 equity shares of ₹ 10/- each, as on March 31, 2024.

During the year under review, the paid-up equity share capital of the Company has increased from ₹ 1,544,000,780/- to ₹ 1,627,622,910/- consequent to issue of additional equity shares under Employee Stock Option Plans (ESOP) of the Company to the eligible employees. The details of allotment made during the financial year 2024 was as under:

Sr. No.	Particulars of allotment of equity shares	Number of Shares	Date of Allotment	Cumulative number of Shares
	Equity share capital as on April 1, 2023			154,400,078
1.	Pursuant to exercise of options	1,785,846	August 18, 2023	156,185,924
2.	Pursuant to exercise of options	325,000	August 26, 2023	156,510,924
3.	Pursuant to exercise of options	178,700	January 03, 2024	156,689,624
4.	Pursuant to exercise of options	5,966,667	February 28, 2024	162,656,291
5.	Pursuant to exercise of options	106,000	March 06, 2024	162,762,291
	Equity share capital as on March 31, 2024			**162,762,291**

During the year under review, the Company has not issued any shares with differential voting rights. The Company does not have any scheme to fund its employees to purchase the equity shares of the Company.

EMPLOYEE STOCK OPTIONS

In order to align employee rewards with the Company's long-term growth and shareholder value creation and also to attract, retain and motivate the best available talent, the members of the Company, at the General Meetings of the Company held on October 20, 2016 and May 20, 2023, had approved the following Employee Stock Option Plans, on the recommendation of the Board:

(i) CMS CEO Stock Option Plan, 2016

(ii) CMS Management Stock Option Plan 2016

(iii) CMS Employees Stock Option Plan 2016 and

(iv) CMS Employees Stock Option Plan 2023

The above Schemes are in compliance with the requirements of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEBSE Regulations"). The Nomination and Remuneration Committee of the Board of Directors of the Company, *inter-alia*, administers and monitors the Stock Option Plans of the Company.

All Options granted under the CMS Managment Stock Option has vested and was fully exercised during the financial year 2023-24. Further, the details, *inter alia*, prescribed under SEBI SBEBSE Regulations are available on the Company's website www.cms.com.

FIXED DEPOSITS

During the year under review, the Company has not invited, accepted or renewed any fixed deposits from the Public within the meaning of Section 73 and 76 of the Act read with Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company did not give any Loans, Guarantees or make any investments under Section 186 of the Act, otherwise than to its wholly-owned subsidiaries.

The particulars of loans and guarantees given, investments made and/ or securities provided by the Company during the year under review are given in the Notes to the Standalone Financial Statements forming part of the Annual Report.

BORROWINGS

The Company did not have any borrowings outstanding as at the end of FY24. CMS continue to focus on managing cash efficiently and ensured that it had adequate non fund based limits (such as Bank guarantee) from Company's Bankers to facilitate smooth functioning and growth of the business.

CAPITAL EXPENDITURE

Capital Expenditure incurred during the year aggregated to ₹ 1,083.85 million.

CREDIT RATING

During the year, ICRA Limited, an independent and professional investment Information and Credit Rating Agency, reaffirmed the Credit Ratings assigned to various Fund based/Non-Fund based credit limits availed by the Company as "[ICRA]" AA+, Stable / [ICRA] A1+. The outlook also remained Stable.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

The Company has in place a robust process for approval of Related Party Transactions and on dealing with Related Parties. The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is available on the Company's website and can be accessed at https://www.cms.com/corporate.governance/index

A vast majority of the Related Party Transactions undertaken by the Company were with its wholly owned subsidiaries. During financial year 2024, all the transactions undertaken by the Company with related parties were in the ordinary course of the business and on the arm's length basis, the particulars of which are reported in the Notes to the Standalone Financial Statements. Further the Company did not enter into any material contracts or arrangement or transactions with any of the related parties as referred to in sub-Section (1) of Section 188 of the Act. Hence disclosure of Related Party Transaction as mandated pursuant to clause (h) of sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable to the Company.

BOARD OF DIRECTORS

BOARD COMPOSITION

As on March 31, 2024, the Board of Directors of the Company comprises of Six (6) Directors consisting of a Woman Non-executive Chairperson, Executive Vice-Chairman, Whole-time Director & CEO, two (2) Non-executive Non Independent Directors and two (2) Independent Directors (out of which 1 is Woman Director). The constitution of the Board of the Company is in compliance with Section 149 of the Act and Regulation 17 of the SEBI Listing Regulations.

During the year under review, based on the recommendation of Nomination & Remuneration Committee and approval of the Board, Ms. Sayali Karanjkar (DIN: 07312305) was re - appointed as Non – executive Independent Director of the Company for a further term of 2 years i.e., from January 1, 2024 to December 31, 2025. Her re-appointment was thereafter approved by the members of the Company by way of postal ballot on March 2, 2024.

During the year under review, Mrs. Manju Agarwal (DIN: 06921105) resigned as Non-executive Independent Director and Mr. Ashish Agrawal (DIN: 00163344) resigned as Non – executive Director due to their personal commitments and preoccupation with other professional commitments respectively, both with effect from March 1, 2024. The Board places on record its sincere appreciation for the significant and valuable contributions made by Mrs. Agarwal and Mr. Agrawal during their tenure as Directors of the Company.

Pursuant to the provisions of Section 152 (6) of the Act, Mr. Krzysztof Wieslaw Jamroz (DIN: 07462321), Non-executive Director who has been, being longest in office is liable to retire by rotation, and being eligible has offered himself for re-appointment. In view of the valuable contributions made by Mr. Jamroz during his past association with the Company, the Board recommends the re-appointment of Mr. Jamroz as a Non-executive Non-Independent Director of the Company, whose office shall be liable for determination by way of retirement of Directors by rotation.

Other than the above, there were no change in the composition of Board of Directors during financial year 2024.

On the basis of the written representations received from the Directors, none of the above Directors is disqualified under Section 164 (2) of the Act.

DECLARATION OF INDEPENDENCE

The Company has received declarations from all the Independent Directors confirming that they continue to meet the criteria of Independence as prescribed under Section 149(6) of the Act and the Regulation 16(1)(b) of SEBI Listing Regulations as amended. The Independent Directors have also confirmed that they have registered their names in the data bank maintained with the Indian Institute of Corporate Affairs.

The Independent Directors of the Company had no pecuniary relationship or transaction with the Company, other than receiving the sitting fees, commission and reimbursement of expenses if any incurred by them for the purpose of attending meetings of the Board/Committees of the Company.

In the opinion of the Board, there has been no change in the circumstances which may affect the status of Independent Directors of the Company and the Board is satisfied of their integrity, expertise, and experience including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of all the Directors individually, including Independent Directors, Chairman of the Board.

Feedback was sought by way of a Structured Questionnaire covering various aspects of the Board's functioning, such as, adequacy of the composition of the Board and its Committees, Board Culture, execution and performances of Specific duties, obligations and governance.

The performance evaluation of the Non-Independent Directors including the Chairperson of the Company and performance of the Board as a whole was also discussed at the separate meeting of the Independent Directors held on March 27, 2024.

The Board members expressed satisfaction about the transparency in terms of disclosures and updating the Independent Directors on key topics impacting the Company.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of the Act forms part of the Nomination and Remuneration Policy of the Company. A copy of the Policy is available on the website of the Company and can be accessible at https://www.cms.com/corporate.governance/index

MEETINGS OF BOARD OF DIRECTORS

During the financial year 2023-24, four (4) meetings of the Board of Directors of the Company were held on the following dates:

1. May 23, 2023
2. July 21, 2023
3. October 25, 2023
4. January 24, 2024

The intervening gaps between two consecutive meetings were within the period prescribed under the Act, Secretarial Standards on Board Meetings and SEBI Listing Regulations as amended from time to time.

The Board has also constituted various Committees to undertake roles as per the respective terms of reference. The details about constitution and role of various Committees are covered in the Corporate Governance report which forms part of this Boards Report.

AUDIT COMMITTEE

In compliance with the requirements under Section 177(8) read with Section 134(3) of the Act and the rules framed thereunder, the Board of Directors of the Company has constituted an Audit Committee, the composition and terms of reference which are in alignment with the requirements of the Act and the SEBI Listing Regulations. Further details on Audit Committee are given in Corporate Governance Report forming part of this Report.

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2024 were as under:

- Mr. Rajiv Kaul, Executive Vice-Chairman, Whole-time Director & CEO
- Mr. Pankaj Khandelwal, President & Chief Financial Officer
- Mr. Debashis Dey, Company Secretary & Compliance Officer

During the year, Mr. Praveen Soni resigned as Company Secretary & Compliance Officer of the Company after the close of working hours on September 30, 2023 to pursue career opportunities in the practicing side of the profession. In view of the same Mr. Debashis Dey, a senior associate member of the institute of Company Secretaries of India, was appointed as a Company Secretary & Compliance Officer in his place. The Board places on record its appreciation for the valuable contributions made by Mr. Soni during his association with the Company.

PARTICULARS OF EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197 (12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Boards Report as **Annexure 3**.

The statement required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. However, pursuant to second proviso to Section 136(1) of the Act, the Annual Report is being sent to the Members excluding the aforesaid Statement. Any Shareholder interested in obtaining the copy of said statement may write to the Company Secretary at the Registered Office of the Company at T-151, 5th Floor, Tower No. 10, Sector-11, Railway Station Complex, CBD Belapur, Navi Mumbai - 400614, e-mail ID: company.secretary@cms.com.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the financial year 2024, the Company has duly complied with the applicable mandatory Secretarial Standards i.e., SS-1 relating to "Meetings of the Board of Directors" and SS-2 relating to "General Meetings" issued by the Institute of Company Secretaries of India (ICSI).

CMS strives to voluntarily comply with all the non-mandatory secretarial standards (i.e. SS-3 to SS-10), to the extent applicable to the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34 of SEBI Listing Regulations, a separate Section on Management Discussion and Analysis Report for the financial year 2024, is appended to this Boards Report.

CORPORATE GOVERNANCE

CMS is fully committed to follow good Corporate Governance practices and maintain the highest business standards in conducting business and has complied with the Corporate Governance requirements as per SEBI Listing Regulations. The Company has adopted high standards of Corporate Governance with a very competent Board having diverse experience.

A separate section on Corporate Governance stipulated under Regulation 34 of SEBI Listing Regulations forms part of this Boards Report.

A Certificate from M/s. M. Siroya and Company, Secretarial Auditors of the Company confirming compliance to the conditions of Corporate Governance as stipulated under the SEBI Listing Regulations, is also appended as an Annexure to the said Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY

As required under the provisions of Act, the Company has constituted a Corporate Social Responsibility (CSR) Committee. Mr. Rajiv Kaul, Executive Vice-Chairman, Whole-time Director & CEO is the Chairman of CSR Committee and Mrs. Shyamala Gopinath, Ms. Sayali Karanjkar and Mr. Krzysztof Wieslaw Jamroz are presently the members of the CSR Committee.

The CSR Committee has formulated a CSR policy and has approved the activities undertaken by the Company during financial year 2024 on various projects specified under Schedule VII of the Act. For further details regarding the CSR Committee, please refer to the Corporate Governance Report, which forms a part of this report.

During the year under review, the Company was required to spend an amount of ₹ 59.79 million (2% of the average net profit of last three financial years as determined under section 198 of the Act.) on CSR activities and the Company has spent ₹ 41.11 million on the various CSR activities during the year. The Company holds ₹ 18.68 million as unspent CSR amount, which are earmarked for identified ongoing CSR projects, which are yet to meet the pre-determined milestones for disbursal of approved CSR amounts. In compliance with Section 135(6) of the Act, the Company has also opened and deposited the aforesaid unspent amount in a separate bank account within the specified time limit as required.

The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year as detailed in CSR Report are set out in **Annexure 4** in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Pursuant to regulation 34 (2)(f) of the SEBI Listing Regulations, the Business Responsibility and Sustainability Report (BRSR) for the financial year ended March 31, 2024, describing the initiatives taken by the Company from an environmental, social and governance perspective is given in a separate annexure and forms part of the Annual Report of the Company. The said Report is also available on the Company's website and can be accessed at www.cms.com.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has put in place adequate internal financial control system commensurate with the size of its operations. Internal control systems comprising of policies and procedures which are designed to ensure sound management of the Company's operations, safe keeping of its assets, prevention and detection of frauds and errors, optimal utilization of resources, reliability of its financial information and compliance. Systems and procedures are periodically reviewed by the Audit Committee to maintain the highest standards of Internal Control.

Additional details on Internal Financial control and their adequacy are provided in the MD&A Report forming part of this Boards Report.

RISK MANAGEMENT

The Company has devised and adopted a Risk Management Policy and implemented mechanisms for risk assessment and management. The policy, which was further reviewed and revised by the Board in its meeting held on October 25, 2023, *inter alia*, provides for constitution of a Risk Management Committee, Risk Philosophy and Risk Management framework for the Company. The Policy also details the Risk Management Organization and the Risk Management Process of the Company from Risk identification and assessment to development of Risk response and Risk Reporting. The Policy also emphasizes the need for a robust business continuity plan that covers all aspects of its operations.

A copy of the Risk Management Policy is placed on the website of the Company. The Company also has also constituted a Risk Management Committee in compliance with the requirements of the SEBI Listing Regulations. For further details regarding the Risk Management Committee, please refer to the Corporate Governance Report, which is forming part of this report.

STATUTORY AUDITORS AND AUDITORS' REPORT

Pursuant to the provisions of Section 139 of the Act and the Rules made thereunder M/s. B S R & Co. LLP, Chartered Accountants were re-appointed as the Statutory Auditors of the Company for a further term of 5 (five) consecutive years, to hold office from the conclusion of 16th Annual General Meeting till the conclusion of the 21st Annual General Meeting of the Company to be held in the year 2028.

SECRETARIAL AUDITOR AND THEIR REPORT

In terms of the provisions of the Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s M. Siroya and Company, Practicing Company Secretaries (CP No. 4157), as the Secretarial Auditor for conducting the Secretarial Audit of the Company for the financial year ended March 31, 2024 and to furnish the report to the Board.

The report of the Secretarial Auditor for the financial year 2023-24, in prescribed Form No. MR-3 s is annexed herewith as **Annexure 1**.

Securitrans India Private Limited was deemed to be a material unlisted subsidiary of the Company for the financial year ended March 31, 2024. In terms of Regulation 24A of the SEBI Listing Regulations read with Section 204 of the Act, Secretarial Audit of the material unlisted subsidiary was conducted by M/s Siroya and BA Associates, Practicing Company Secretaries (CP No. 21758). A copy of the said report has also been annexed as **Annexure 2**.

QUALIFICATIONS / RESERVATIONS IN THE AUDIT REPORT & SECRETARIAL AUDIT REPORT

None of the said Audit Reports contain any qualification, reservation or adverse remarks requiring explanation by the Board pursuant to Section 134(3)(f) of the Act.

Notes to Accounts are self-explanatory and do not call for any further comments.

COST AUDIT

Pursuant to sub-Section (1) of Section 148 of the Act read with rule (3) of the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain the particulars relating to the utilization of material or labor and other items of cost pertaining to its Manufacturing business, by including the same in the books of account of the Company. However, since the Manufacturing segment is in its nascent stage, the requirement for audit of the Cost Records of the Company as prescribed under sub-Section (2) of Section 148 of the Act read with rule (4) of the Companies (Cost Records and Audit) Rules, 2014, is not applicable to the Company.

Notwithstanding the above and with an object to set up a robust cost record maintenance system in anticipation of expansion in the manufacturing business in the future, the Board of Directors. on the recommendation of the Audit Committee, have re-appointed M/s. S K Agarwal & Associates, Cost Accountants, Mumbai having Firm Registration No. 100322 for conducting the audit of Cost Accounting records maintained by the Company for financial year 25, subject to the ratification of the remuneration payable to them by the Members of the Company pursuant to Section 148(3) of the Act read with rule 14 of the Companies (Cost Records and Audit) Rules, 2014. The Cost Auditors have confirmed that their appointment is within the limits of Section 141(3)(g) of the Act and that they are not disqualified from acting as Cost Auditors.

INTERNAL AUDIT

Pursuant to the provisions of Section 138 of the Act and the Companies (Accounts) Rules, 2014, and on the recommendation of the Audit Committee at their meeting held on May 23, 2023, M/s. Grant Thornton Bharat LLP, were appointed by the Board of Directors to conduct internal audit of the Company for the financial year 2023-24. Necessary corrective actions were initiated by the management wherever suggested by the Internal Auditor for further strengthening of the internal controls of the Company. The Audit findings were directly reported by the Internal Auditors to the Audit Committee.

REPORTING OF FRAUDS

The Auditors of the Company did not report any incident of fraud to the Audit Committee during the financial year 2024. However, in view of the nature of business of the Company, certain incidences of cash embezzlements by few employees, who were involved in business operations of the Company, were detected as detailed below:

There were 10 instances of cash embezzlements aggregating to ₹ 120.53 million during FY 24 (FY23: ₹124.78 million) were reported by the Statutory Auditors.

Out of the above, the Company has recovered ₹ 52.59 million (FY23: ₹ 56.21 million), ₹ 22.65 million written off (FY23: ₹ 17.89 million). The total outstanding in respect of all matters as at March 31, 2024 aggregates to ₹ 67.64 million (FY23: ₹ 91.02 million).

Except above, no other embezzlements/ frauds have been reported by Statutory Auditors or Secretarial Auditors to the Audit Committee of the Company.

The Management continues to invest in additional security measures to mitigate such instances in future.

VIGIL MECHANISM/WHISTLE-BLOWER POLICY

The Company has put in place a Whistle-Blower Policy and has established the necessary Vigil Mechanism for Directors and employees in terms of Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, to report their genuine concerns about unethical behavior. During the financial year 2024, one complaint was received by the Company under the whistle blower policy which was investigated by the CMS internal inquiry Committee and was treated as resolved after issuance of warning to the concerned staff.

This policy is available on the Company's website and can be assessed at www.cms.com.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

CMS gives prime importance to the dignity and respect of each of its employees irrespective of their gender/hierarchy and expect responsible conduct and behavior on the part of employees at all levels.

Providing a safe and congenial work environment for all employees is an integral part of the Company's Code of Conduct.

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder, the Company has adopted a Policy for the prevention of Sexual Harassment at workplace. All employees as well as contractual staff, temporary, trainees are covered by this policy.

Allegations of Sexual harassment reported are expeditiously and discretely investigated by the Internal Complaints Committee (ICC) constituted by the Company in compliance with the aforesaid Act and disciplinary action, if required or recommended by the ICC, is taken in accordance with the Policy.

There was no complaint of sexual harassment received by the Company during the financial year 2023-24.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

(A) Conservation of energy-

(i) the steps taken or impact on conservation of energy:

The operation of the Company is not energy intensive. However, we endeavor to support the environment and minimize consumption of energy in our offices. The Company has started installing sensor-based light switches in workstations and washroom areas and replaced all CFL lighting with LEDs in offices to reduce energy consumption.

(ii) the steps taken by the Company for utilising alternate sources of energy:

Since the Company uses limited energy mostly for its office premises, which are spread across India, utilization of alternate sources of 'green' energy is not feasible at present.

The Company is planning to introduce a 'green fleet' vehicles in 10-15 cities by shifting from Diesel to CNG and integrating the same in the overall cash management services. Thereby transitioning to clean fuels, which will help the Company to reduce its Scope 3 Green House Gas ('GHG') Emissions.

(iii) the capital investment on energy conservation equipments;

The Company invested ₹489 million for procurement of BS-VI compliant vans during the year. In addition, ₹10 million was expended for implementation of Vision AI Solution.

(B) Technology absorption-

(i) the efforts made towards technology absorption;

- The Company utilizes BS-VI certified security vans to facilitate transportation of cash as "cash carry vans" for providing cash management services which are compliant with the directives of Ministry of Home Affairs (MHA) and the Reserve Bank of India (RBI).
- The Company utilizes Vision AI Solution to reduce and monitor the energy consumption of AC and its facilities. The use of motion sensors and relays result in optimization of energy used, consequently reducing GHG emissions.

- The Company is planning to introduce green fleet vehicles in 10-15 cities by shifting from Diesel to CNG and integrating the same in the overall cash management services. Hence, by transitioning to clean fuels, the Company is planning to reduce its Scope 3 GHG Emissions.
- Additionally, the Company has installed sensor-based light switches in workstations and washroom areas and replaced all CFL lighting with LEDs in offices to reduce energy consumption, consequently reducing GHG emissions.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

The above initiatives have resulted in substantial savings in consumption of energy as well as reduction in GHG emissions.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

NA

(iv) the expenditure incurred on Research and Development.

The Company has developed an inhouse ALGO AIoT - Advanced Remote Monitoring Solution, which brings a new dimension to business and provides critical insights powered by AI (Artificial Intelligence) and IoT (Internet of Things) and driven by RPA (Robotic Process Automation) for the prevention of critical threats. With the evolution of advanced remote monitoring systems, our clients can now address their surveillance concerns 24X7 while also unleashing a new world of business insights to boost the performance and efficiency of its businesses.

During financial year 2024, further incremental improvement was incorporated in the solution.

(C) Foreign Exchange Earnings and Outgo

The Company operates only in domestic market hence does not earn in foreign currency. The particulars of earnings and expenditures in foreign currency during the financial year 2024 is as detailed below:

Foreign Exchange Earnings (in ₹ million) – Nil

Foreign Exchange Outgo (in ₹ million) – ₹ 989.82

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 of the Act, the Directors hereby confirm and state that:

a) in the preparation of the Annual Financial Statements for the financial year ended March 31, 2024, the applicable Accounting Standards had been followed and no material departures have been made for the same;

b) we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on March 31, 2024 and of the profit and cash flow of the Company for the period ended March 31, 2024;

c) we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) we have prepared the annual accounts for the year ended March 31, 2024 on a going concern basis;

e) we have laid down internal financial controls and the same have been followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) we have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

OTHER STATUTORY DISCLOSURES:

- **Annual Return**

  Pursuant to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, a copy of the Annual Return for the financial year 2023-24 in Form MGT-7 is available on the website of the Company and can be accessed at www.cms.com.

- **Investor Education and Protection Fund**

  The Company was not required to transfer any amount to Investor Education and Protection Fund under Section 125 of the Act during financial year 2024.

- **Details of significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future, if any.**

  No significant or material orders were passed by any regulator or court or tribunal which impact the going concern status and Company's operations in future.

- **The details of application made or any proceeding(s) pending under the Insolvency and Bankruptcy Code, 2016 ("IBC") during the year, if any, along with its status as at the end of financial year**

  There was no application made or any proceeding pending under IBC against the Company during the financial year 2023-24.

- **The details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof.**

  There was no one-time settlement done by the Company.

CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion and Analysis as explained in a separate Section in this Report, describing the Company's objectives, projections, estimates and expectations may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances.

ACKNOWLEDGMENT

The Board of Directors take this opportunity to thank and express its sincere gratitude to all the stakeholders of the Company viz., shareholders, customers, vendors, bankers, business associates, regulatory authorities, Central and State Government departments, local authorities and the society at large for their consistent support and co-operation to the Company during the financial year.

Your Board of Directors thank the Shareholders and investors for their confidence in the Company.

The Board of Directors also place on record their sincere appreciation of the valuable contribution made by the employees at all levels to the growth of the Company.

On Behalf of the Board of Directors of
CMS Info Systems Limited

Shyamala Gopinath
Chairperson
(DIN: 02362921)

Rajiv Kaul
Executive Vice-Chairman,
Whole-time Director & CEO
(DIN: 02581313)

Place: Mumbai
Date: May 15, 2024

Annexure 1

Form No. MR-3

Secretarial Audit Report

For the Financial Year ended March 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
CMS Info Systems Limited,
T-151, 5th Floor, Tower No.10,
Sector-11, Railway Station Complex, CBD Belapur,
Navi Mumbai – 400 614.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence of good corporate practices by CMS Info Systems Limited (hereinafter called the "Company"/"CMS"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2024 according to the relevant and applicable provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder, as may be applicable;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment in India; The provisions of Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company during the Financial Year;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;

c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR');

e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable during the Financial Year);

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable during the Financial Year);

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable during the Financial Year);

i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable during the Financial Year); and

(vi) Based on the representations and confirmations made by the Company we state that the Company is operating in the business of providing ATM and Cash Management Services and there are no laws specifically applicable in relation to the business of the Company.

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards issued by The Institute of Company Secretaries of India ("ICSI"), as amended from time to time; and

2. The Equity Listing Agreements entered by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Circulars, Notifications, Directions, Guidelines, Standards, etc. mentioned above. However, there was a delay in filing of certain forms with the Ministry of Corporate Affairs.

Other statutes, Acts, Laws, Rules, Regulations, Guidelines and Standards etc., as applicable to the Company are given below:

(i) Labour Laws and other incidental laws related to employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;

(ii) Acts as prescribed under Direct Tax and Indirect Tax;

(iii) Stamp Acts and Registration Acts of respective States;

(iv) Labour Welfare Act of respective States; and

(v) Such other Local laws as may be applicable in respect of various offices of the Company.

We further report that the Board of the Company is duly constituted with a proper balance of Executive Directors, Non-executive Directors, Woman Director and Independent Directors. The committees of the Board are duly constituted. However, consequent to the resignation of Mrs. Manju Agarwal and Mr. Ashish Agrawal with effect from March 1, 2024, there was a vacancy in the constitution of the Audit Committee of the Company as on March 31, 2024, which was subsequently filled by the Board of Directors of the Company by appointing Mr. Krzysztof Wieslaw Jamroz as a member of the Committee with effect from April 18, 2024.

The following changes in the composition of the Board that took place during the year under review were carried out in compliance with the provisions of the Act:

Name of the Director/Key Managerial Personnel of the Company	Designation	Appointment/Re-appointment/ Resignation	Date of Appointment/ Cessation
Mr. Rajiv Kaul	Executive Vice-chairman, Whole-time Director and CEO	Re-appointment	April 1, 2023
Mr. Praveen Soni	Company Secretary & Compliance Officer	Resignation	Close of business hours on September 30, 2023
Mr. Debashis Dey	Company Secretary & Compliance Officer	Appointment	October 25, 2023
Mrs. Manju Agarwal	Non-executive Independent Director	Re-appointment	January 1, 2024 (resigned w.e.f. March 1, 2024)
Ms. Sayali Karanjkar	Non-executive Independent Director	Re-appointment	January 1, 2024
Mr. Ashish Agrawal	Non-executive Director	Resignation	March 1, 2024

Adequate notice was given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation & deliberations at these meetings.

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable Laws, Acts, Rules, Regulations, Circulars, Notifications, Directions and Guidelines. The Company is advised to strengthen the mechanism for regularly and timely updating all the entries in the Structured Digital Database ("SDD") software being maintained under the SEBI PIT Regulations.

We further report that during the audit period has undertaken following events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, acts, rules, regulations, circulars, notifications, directions, guidelines, standards, etc. referred to above:

(i) The Members by postal ballot on May 20, 2023 inter-alia, approved the following:

(a) Re-appointment of Mr. Rajiv Kaul w.e.f. April 1, 2023 to July 31, 2027 as Executive Vice-Chairman, Whole-time Director and CEO of the Company;

(b) CMS Employees Stock Option Plan 2023 ("CMS INFO ESOP 2023");

(c) CMS Employees Stock Option Plan 2023 ("CMS INFO ESOP 2023") for Holding Company and/or Subsidiary Company (ies);

(d) Grant of Stock Options to Mr. Rajiv Kaul, Executive Vice-chairman, Whole-time Director & CEO, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversion) of the Company at the time of grant of Option.

(ii) Sion Investment Holdings Pte. Limited (Promoter of the Company) sold its entire shareholding during the financial year 2023-24.

For **M Siroya and Company**
Company Secretaries

Mukesh Siroya
Proprietor
FCS No.: 5682
CP No.: 4157
PR No.: 1075/2021
UDIN: F005682F000370673

Date: May 15, 2024
Place: Mumbai

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

'Annexure A'

To,
The Members,
CMS Info Systems Limited
Mumbai

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the Corporate and other applicable laws, acts, rules, circulars, notifications, directions, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **M. Siroya and Company**
Company Secretaries

Mukesh Siroya
Proprietor
FCS No.: 5682
CP No.: 4157
PR No: 1075/2021
UDIN: F005682F000370673

Date: May 15, 2024
Place: Mumbai

Annexure 2

Form No. MR-3

Secretarial Audit Report

For the Financial Year ended March 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Securitrans India Private Limited
Delhi

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Securitrans India Private Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2024 according to the relevant and applicable provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) As confirmed by the management, there are no other laws specifically applicable in relation to the business of the Company.

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards issued by The Institute of Company Secretaries of India, and
2. Listing Agreement/Regulations: The Company is an unlisted Company and therefore compliance with listing agreement/regulations is not applicable.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, to the extent applicable. However, there was a delay in filing of an eform with the Ministry of Corporate Affairs.

Other statutes, Acts, laws, Rules, Regulations, Guidelines and Standards etc., as applicable to the Company are given below:

1. Labour Laws, Labour Welfare Act and other incidental laws related to employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.
2. Acts as prescribed under Direct Tax and Indirect Tax.
3. Stamp Acts and Registration Acts.
4. Such other Local laws etc. as may be applicable.

We further report that the Board of the Company is duly constituted with proper balance of Executive Director and Non-Executive Directors. During the year under review Mr. Hemant Kewalchand Chopra (DIN 08674668) was appointed as an Additional Director on the Board of the Company w.e.f November 20, 2023.

Adequate notice was given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and after due compliance of the applicable provisions and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation & deliberations at these meeting.

During the year under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company in order to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has not undertaken any specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For Siroya and BA Associates
Company Secretaries

Bhavyata Raval
Partner
ACS No.: 25734
CP No.: 21758
UDIN: A025734F000370782

Date: May 15, 2024
Place: Mumbai

Note: This Report is to be read with our letter of even date which is annexed as '**Annexure A**' herewith and forms an integral part of this report.

'Annexure A'

To,
The Members,
Securitrans India Private Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Siroya and BA Associates
Company Secretaries

Bhavyata Raval
Partner
ACS No.: 25734
CP No.: 21758
UDIN: A025734F000370782

Date: May 15, 2024
Place: Mumbai

Annexure 3

Details of Remuneration as per Section 197(12) of the Act

PARTICULARS OF REMUNERATION

[Pursuant to Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

INFORMATION PURSUANT TO RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. **The ratio of the remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year.**

Name	Ratio of remuneration of each director to median remuneration of the employees of the Company	% increase in remuneration in FY24
Executive Directors		
Mr. Rajiv Kaul[i]	185.68	14.5%
Mr. Tapan Ray	3.57	NIL
Mrs. Manju Agarwal[ii]	3.32	-0.7%
Mrs. Sayali Karanjkar	3.57	NIL
Non-executiveNon-Independent Directors		
Mrs. Shyamala Gopinath	3.57	NIL
Mr. Jimmy Lachmandas Mahtani	NA	NA
Mr. Ashish Agrawal[ii]	NA	NA
Mr. Krzysztof Wieslaw Jamroz	3.57	NIL
Chief Financial Officer		
Mr. Pankaj Khandelwal[i]	NA	8.7%
Company Secretary		
Mr. Praveen Soni[iii]	NA	NA
Mr. Debashis Dey[iii]	NA	NA

Notes:

i. Excludes cost and perquisite value of stock options.

ii. During the year under review, Mrs. Manju Agarwal (DIN: 06921105) resigned as Non – Executive Independent Director and Mr. Ashish Agrawal (DIN: 00163344) resigned as Non – Executive Director due to their personal commitments, and preoccupation with other professional commitments, respectively. both with effect from March 1, 2024.

iii. During the year under review, Mr. Praveen Soni resigned as Company Secretary & Compliance Officer of the Company on September 30, 2023. Mr. Debashis Dey was appointed as a Company Secretary & Compliance Officer in his place effective from October 25, 2023.

2. **The percentage increase in the median remuneration of the employees during the financial year.**

   There was an increase of 5.96% in the median remuneration of employees in financial year 2024.

3. **The number of permanent employees on the rolls of the Company;**

   There were 593 permanent employees on the rolls of the Company as on March 31, 2024.

4. **Average percentage increase in the salaries of employees other than the managerial personnel (KMPs) in FY24 and its comparison with the percentage increase in the managerial remuneration and justification thereof.**

   The average annual percentage increase in the salaries of employees other than key managerial personnel (KMPs) was 9.27% as against an average annual percentage increase of 8.7% to KMPs.

5. **Affirmation that the remuneration is as per the remuneration policy of the Company**

   The Company affirms that the remuneration of directors is as per the Nomination & Remuneration policy of the Company.

On Behalf of the Board of Directors of
CMS Info Systems Limited

Shyamala Gopinath
Chairperson
(DIN: 02362921)

Rajiv Kaul
Executive Vice-Chairman,
Whole-time Director & CEO
(DIN: 02581313)

Place: Mumbai
Date: May 15, 2024

Annexure 4

Corporate Social Responsibility Report

Annual Report on CSR Activities

[Pursuant to Section 135 of the Companies Act, 2013 ('the Act') and Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

The CMS Info Systems network weaves across the country, from the various tiers of cities to the more rural and remote small towns, connecting commerce and communities. We have therefore focused our CSR efforts to directly and indirectly improve the environmental sustainability and livelihood of the underprivileged and poor communities through a variety of approaches, across different geographical locations. We also make Charitable Contributions, pursuant to which, reasonable grants are made to various shortlisted NGOs. The beneficiaries of these Charitable Contribution grants range from elderly and disability care to education and childcare, medical camps. Recently, the Company has piloted an initiative to convert some of its used cash vans into ambulances or other social utility vehicles. The beneficiaries of these repurposed vehicles range from old age homes, hospital and NGOs working in healthcare.

The main objective of our CSR policy is:

1. Connected with the principles of sustainability
2. to make CSR a key process for sustainable development of the society.

The scope of the CSR activities of the Company will, *inter alia*, cover the following key areas and may extend to other projects/ programs as may be permitted under the law from time to time:

1. Promotion of education, including special education and employment, enhancing vocation skills especially among youth, women, elderly, physically handicapped and livelihood enhancement projects;
2. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
3. Eradication of hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
4. Promotion of gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
5. Measures for the benefit of armed forces veterans, war widows and their dependents;
6. Training to promote rural sports, nationally recognized sports, Para Olympics sports and Olympic sports;
7. Contribution to the Prime Minister National Relief Fund or PM Cares Fund any other fund set up by the Central Government for socio-economic development and relief and welfare of the scheduled castes, scheduled tribes, other backward classes, minorities and women;
8. Rural development projects
9. Such other tasks and projects as it may deem fit to fulfil the need of the society, including any other projects as may be approved by the Government of India or the State and the Act.

The Company has incorporated CMS Info Foundation under Section 8 of the Companies Act, 2013 i.e. Non-Profit Organization to carry out its CSR activities. Going forward, it is proposed to engage CMS Info Foundation for undertaking all CSR activities of CMS Group.

2. COMPOSITION OF THE CSR COMMITTEE AS ON MARCH 31, 2024:

Sr. No.	Name of Director	Designation/ Nature of Membership	Number of Meetings of CSR Committee held during the year FY 2023-24	Number of meetings of CSR Committee attended during the year
1.	Mr. Rajiv Kaul	Chairman	1	1
2.	Mrs. Shyamala Gopinath	Member	1	1
3.	Ms. Sayali Karanjkar	Member	1	1
4.	Mr. Krzysztof Wieslaw Jamroz	Member	1	1

3. **PROVIDE THE WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:**

The composition of the CSR Committee is also disclosed on our website, at: https://www.cms.com/board-of-directors

CSR Policy is available on our website, at: https://www.cms.com/corporate-governance/index

Summary of the projects undertaken is available on our website, at: https://www.cms.com/cms-foundation

4. **PROVIDE AN EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8, IF APPLICABLE**

Rule 8 (3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is not applicable to the Company. The Company constantly monitors its CSR activities through NGO/CSR partners.

5. a) **Average net profit of the Company as per Section 135(5):**

₹ 2,989,599,361/-

b) **Two percent of average net profit of the Company as per Section 135(5):**

₹ 59,791,987/-

c) **Surplus arising out of the CSR projects or programs or activities of the previous financial years:**

Not Applicable

d) **Amount required to be set off for the financial year, if any:**

Not Applicable

e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:**

₹ 59,791,987/-

6. a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):**

₹ 38,117,997/-

b) **Amount spent in Administrative Overheads:**

₹ 2,989,599/-

c) **Amount spent on Impact Assessment, if applicable:**

Not Applicable

d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:**

₹ 41,107,597/-

e) **CSR amount spent or unspent for the Financial Year:**

Total amount spent for the financial year (in ₹)	Amount Unspent (in ₹)				
	Total amount transferred to unspent CSR account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount (in ₹)	Date of transfer	Name of Fund	Amount	Date of transfer
41,107,597	18,684,391	April 26, 2024	NA	NA	NA

f) **Excess amount for set-off, if any:**

Not Applicable

7. **Details of unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

Sr. No.	Preceding financial year	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Balance Amount in unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the reporting financial year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiencies, if any.
					Amount (in ₹)	Date of transfer		
1	2020-21	-	-	-	-	-	-	-
2	2021-22	-	-	-	-	-	-	-
3	2022-23	8,713,149	8,713,149	8,713,149	-	-	-	Nil

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

No

If Yes, enter the number of Capital assets created/ acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

9. **Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub Section (5) of Section 135:**

During financial year 2023-24, the Company has spent ₹ 41,107,597 on various projects. The unspent balance of ₹ 18,684,391 is towards various identified ongoing projects where disbursal is linked to achievement of pre-determined milestones. Pending disbursal, the said amount has been transferred to the unspent CSR account opened under Section 135 (6) of the Act to be spent in accordance with the CSR Rules.

On Behalf of the Board of Directors of
CMS Info Systems Limited

Rajiv Kaul
Executive Vice-Chairman,
Whole-time Director & CEO
Chairman of CSR Committee
DIN: 02581313

Report on Corporate Governance

Pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as ('SEBI Listing Regulations'), the Company presents the Report on Corporate Governance for the financial year ended March 31, 2024.

(1) CORPORATE GOVERNANCE PHILOSOPHY

At CMS, we believe that sound corporate governance practices are the bedrock for the functioning of the Company and creation of value for its stakeholders on a sustainable and long-term basis. This philosophy guides us in defining and maintaining an ethical framework within which we operate. Corporate Governance framework enjoins the highest standards of ethical and responsible conduct of business to create value for all stakeholders. Effective Corporate Governance practice is about commitment to values, ethical business conduct and constitutes strong fundamentals on which a successful commercial enterprise is built to last. The Company is managed by a distinguished Board, which also includes esteemed members as its Independent Directors. The Company has established systems and procedures based on the overview and strategic counsel of the Board, which enables it to discharge its responsibilities and to provide management the strategic direction it needs.

The Company has complied with the requirements of corporate governance specified under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended, which are detailed hereunder in this report.

(2) BOARD OF DIRECTORS

The Company is compliant with the corporate governance norms with respect to the constitution of the Board of Directors.

The Company has a diversified Board which represents an optimum mix of independence, professionalism, knowledge, gender and experience.

i. The main role of the Board is that of trusteeship in order to protect and enhance the shareholder value. The Company's Board has an appropriate mix of Executive, Non-executive and Independent Directors to maintain its Independence and separate its functions of governance from management.

The Board represents a confluence of varied skills, experience and expertise from diverse background. The Directors possess requisite qualification, experience and expertise in their respective functional areas, which enable them to discharge their responsibilities and provide effective leadership to the management. The Board also provides direction and exercises appropriate control to ensure that the company is managed in a manner that fulfils and boost the confidence of the stakeholders, strategic investors and public. The Board also annually reviews its role, evaluates its performance and also that of the Committees of the Board and the Directors.

ii. The Board of Directors of the Company is headed by a Non-executive Woman Chairperson and comprises of 6 (Six) Directors - with one Executive Director & CEO, three Non-executive Non-Independent Directors (including the Chairperson), and two Independent Directors (out of which one is a Woman Director). Thus, the composition of the Board is in conformity with the requirements of Regulation 17 of the SEBI Listing Regulations. During the financial year 2024, Mrs. Manju Agarwal, Independent Director and Mr. Ashish Agrawal, Non-executive Director tendered their resignation citing personal commitments and preoccupation with other professional commitments, respectively. Both the resignations were tendered on March 1, 2024 and the Directors have confirmed that there were no other material reasons for their resignations other than as stated above.

The profile of the Board Members can be found at https://www.cms.com/board-of-directors

iii. None of the Directors on the Board holds Directorships in more than twenty (20) Indian companies including not more than ten (10) public limited companies. Further, none of the Directors on the Board is a member of more than ten (10) Board Committees and Chairperson of more than five (5) Board Committees across all public companies in which he/she is a Director. Further, none of the Directors of the Company are Directors in more than seven (7) listed entities and none of the Directors of the Company who are Whole-time Directors of the Company/ any other listed entity, serve as Independent Director in more than three (3) listed companies. None of the Directors of the Company are related to each other. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2024 have been made by the Directors.

iv. The Company does not have any pecuniary relationship with any of the Non-executive and Independent Directors of the Company and has not entered into any transaction, material or otherwise, with them, except for the payment of sitting fees and commission.

v. Independent Directors are Non-executive Directors and fulfills all criterion of Independence, as defined under SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013 ('the Act') along with rules framed thereunder. They have confirmed that they meet the criteria of Independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are Independent of the management and that that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Further, the Independent Directors have, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have registered themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs. In the opinion of the Board, the Independent Director fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management. The Company has issued formal letters of appointment to the Independent Directors. As required under Regulation 46 of the SEBI Listing Regulations, as amended, the terms and conditions of appointment of Independent Directors are available on the Company's website at www.cms.com .

vi. The Composition of the Board and Directorships held by the Board members as on March 31, 2024 were as follows:

Name of Director	Category/ status of Directorship	No. of Directorship(s) in other Public Companies	No. of Committee Positions in other Public Companies**		Directorship in other listed entities*		No. of shares and convertible instruments held by Directors in the Company as on March 31, 2024
			Chairperson	Member#	Name of the entity	Category of Directorship	
Mrs. Shyamala Gopinath (Chairperson) DIN: 02362921	Non-Independent, Non-executive Director	6	5	6	1. Colgate Palmolive India Ltd. 2. BASF India Limited 3. TATA Elxsi Limited 4. CRISIL Limited	1. Independent Director 2. Independent Director 3. Independent Director 4. Independent Director	Nil
Mr. Rajiv Kaul DIN: 02581313	Executive Vice Chairman, Whole-time Director & CEO	Nil	Nil	Nil	Nil	Nil	1,00,78,931
Mr. Tapan Ray DIN: 00728682	Independent Director	6	1	3	1. Gujarat State Fertilizers & Chemicals Ltd. 2. Gujarat State Petronet Ltd.	1. Independent Director 2. Independent Director	Nil
Ms. Sayali Karanjkar DIN: 07312305	Independent Director	1	Nil	Nil	Nil	Nil	Nil
Mr. Jimmy Lachmandas Mahtani DIN: 00996110	Non-executive Director	1	Nil	Nil	Nil	Nil	Nil
Mr. Krzysztof Wieslaw Jamroz DIN: 07462321	Non-executive Director	Nil	Nil	Nil	Nil	Nil	Nil

*Other Directorships do not include Directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act.

**For the purpose of determination of limit of the Board Committees, only chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee have been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

Includes no. of Committee Chairpersonship

vii. 4 (Four) Meetings of the Board were held during the financial year under review i.e. on (i) May 23, 2023, (ii) July 21, 2023, (iii) October 25, 2023 and (iv) January 24, 2024. The gap between two meetings did not exceed one hundred and twenty days. The necessary quorum was present for all the meetings.

viii. The notes and the agenda of the Board Meeting along with all the information that is required to be made available to the Directors in terms of provisions of the SEBI Listing Regulations and the Act, so far as applicable to the Company, was submitted to the Board. Relevant documents and explanatory notes whenever required were provided well in advance to all the Directors to enable them to discharge their responsibilities effectively and take informed decision. Actions taken/status reports on decisions of the previous meeting(s) were placed at the next meeting(s) for information and further recommended actions, if any.

ix. The names of the Directors and their attendance at Board meetings held during the year under review and at the last Annual General Meeting ("AGM"), is detailed herein below:

Name of Director	Category/ status of Directorship	Number of Board Meetings held during his /her tenure during FY 2023-24	Number of Board Meetings attended	Whether attended last AGM held on September 6, 2023
Mrs. Shyamala Gopinath (Chairperson) DIN: 02362921	Non- Independent, Non-executive Director	4	4	Yes
Mr. Rajiv Kaul DIN: 02581313	Executive Vice Chairman, Whole-time Director & CEO	4	4	Yes
Mr. Tapan Ray DIN: 00728682	Independent Director	4	3	Yes
Mr. Jimmy Lachmandas Mahtani DIN: 00996110	Non-executive Director	4	4	No
Mr. Krzysztof Wieslaw Jamroz DIN: 07462321	Non-executive Director	4	4	Yes
Ms. Sayali Karanjkar DIN: 07312305	Independent Director	4	4	Yes
Mrs. Manju Agarwal# DIN: 06921105	Independent Director	4	4	Yes
Mr. Ashish Agrawal# DIN: 00163344	Non-executive Director	4	4	No

#up to March 1, 2024

x. During the financial year 2023-24, one separate meeting of the Independent Directors was held on March 27, 2024. The Independent Directors, *inter-alia*, reviewed the performance of Non-Independent Directors, the Board as a whole and the Chairperson of the Company, as well as the quality and timelines of flow of information between the management and the Board of Directors.

xi. The Members of the Board are committed to ensuring that the Board is in compliance with the highest standards of Corporate Governance. The table below summarizes the key skills, expertise, competencies of the Board of Directors of the Company which are taken into consideration by the Nomination and Remuneration Committee while recommending appointment of Directors to the Board along with the names of the Directors who has such skills, expertise and competences.

The Board of Director of the Company has following skills, expertise and competencies in the context of business in which it operates.

Nature of Expertise	Particulars	Name of Director with such expertise
Business expertise	Experience in the core business in which the Company operates, global business dynamics, understanding of various markets, cultures, people and regulatory frameworks.	• Mr. Rajiv Kaul • Mrs. Shyamala Gopinath • Mr. Jimmy Lachmandas Mahatani • Mr. Krzysztof Wieslaw Jamroz
Corporate Strategy & planning	Developing corporate strategy and planning for expansion of business operations of the Company. Analytical power to understand the business trends, experience to guide and provide strategic directions to the management team to implement the strategy and adapting planning and execution with the objective of growth.	• Mr. Rajiv Kaul • Mr. Jimmy Lachmandas Mahtani • Mrs. Shyamala Gopinath • Ms. Sayali Karanjkar • Mr. Tapan Ray
Expertise/Experience in Finance & Accounts/ Audit	Experience in leading finance function of the Company and its subsidiaries, thorough knowledge of Audit practices and Accounting Standards and ability to drive the Company to benchmark with best practices in various procedural areas of finance function.	• Mr. Rajiv Kaul • Mrs. Shyamala Gopinath • Mr. Tapan Ray
Corporate Governance, Law and Compliances	Experience in developing good Corporate Governance Practices, statutory compliances, business ethics and values so as to protect interests of stakeholders.	• Mr. Rajiv Kaul • Mrs. Shyamala Gopinath • Ms. Sayali Karanjkar • Mr. Tapan Ray

xii. Familiarization Program

As a practice, all new Directors (including Independent Directors) inducted to the Board are given a formal orientation. The familiarization Program for a Director is customized to suit their individual interests and area of expertise. Further, at the time of appointment, Independent Directors are made aware of their roles, rights and responsibilities through a formal letter of appointment which also stipulates the various terms and conditions of their engagement. In addition, at Board and Committee Meetings, the Senior Management make presentations giving an overview of business model, regulatory environment in which the Company operates, strategy, operations, functions, major risks and risk management strategy, policies and procedures of the Company and its subsidiaries. These enable the Directors to get a deep understanding of the Company, its people, values and culture and facilitates their active participation in overseeing the performance of the Management and enables the Directors to play a more meaningful role in the overall governance processes of the Company.

The details of the Familiarization program of the Independent Directors are available on the Company's website at https://www.cms.com/corporate-governance/independent-directors-familiarisation-program#GMPB.

(3) COMMITTEES OF THE BOARD

The Board has constituted various Committees with an optimum representation of its members and with specific terms of reference in accordance with the Act and the SEBI Listing Regulations. The objective is to enable the Board Members to focus effectively on the issues and ensure expedient resolution of the diverse matters. The committees operate as the Board's empowered body according to its respective terms of reference. The Board has, *inter alia,* constituted the below mentioned mandated committees:

a) Audit Committee;

b) Nomination & Remuneration Committee;

c) Stakeholders Relationship Committee;

d) Risk Management Committee; and

e) Corporate Social Responsibility Committee

The Committees are represented by a combination of Independent Directors and Executive/Non-executive Directors of the Company. These Committees play an important role in the overall management of the affairs and governance of the Company. The Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The recommendations of the Committee(s) are submitted to the Board for its approval.

During the year, all recommendations of the Committee(s) were duly considered and approved by the Board. Minutes of proceedings of all Committee meetings are circulated to the respective committee members and also placed before Board meetings for noting.

a) AUDIT COMMITTEE

Pursuant to Section 177 and other applicable provisions of the Act read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and Regulation 18 and other applicable regulations of the SEBI Listing Regulations, the Board of Directors have duly constituted an Audit Committee with terms of reference as detailed hereinafter.

At the beginning of the financial year, the Committee constituted of Mr. Tapan Ray, Independent Director, Mrs. Manju Agarwal, Independent Director and Mr. Ashish Agrawal, Non-executive Director. During the year, the Committee was expanded by inducting Ms. Sayali Karanjkar as a new member. However, Mrs. Manju Agarwal and Mr. Ashish Agrawal resigned as Directors of the Company and its Committees effective from March 1, 2024. The resulting vacancy was thereafter filled by the Board at its subsequent meeting held on April 18, 2024 by inducting Mr. Krzysztof Wieslaw Jamroz as a member to the Committee.

All the members of the Audit Committee are professionals and financially literate within the meaning of Regulation 18 of the SEBI Listing Regulations as amended.

Mr. Rajiv Kaul, Executive Vice-Chairman, Whole-time Director & CEO, is an invitee to the Audit Committee Meeting. Mr. Pankaj Khandelwal, CFO of the Company was also present at all the meetings of the Audit Committee. Further, the Committee invites such executives as it considers appropriate and also representatives of the Statutory Auditors and Internal Auditors, to be present at its meetings, as it may deem necessary. The Company Secretary acts as the Secretary to the Audit Committee.

The Key terms of references of the Audit Committee are as under:

- Oversight of financial reporting process ensuring accuracy, sufficiency, and credibility of statements;
- Recommending auditors' appointment, re-appointment, or replacement, and fixing audit fees;
- Reviewing the financial statements, focusing on accounting policies and any changes therein, significant adjustments, compliance with applicable regulations, related party transactions, and audit qualifications, if any;
- Scrutinizing quarterly, half-yearly, and annual financial results before submission to the Board;
- Monitoring auditor independence, performance, and audit process effectiveness;
- Approving or modifying transactions with related parties, formulating related party transaction policy;
- Scrutinizing inter-corporate loans, investments, and conducting valuations;
- Evaluating internal financial controls, risk management, and internal audit function adequacy;
- Discussing significant findings with internal auditors, following up on investigations;
- Reviewing findings of internal investigations into fraud, irregularities, or control failures;
- Pre-audit discussion with auditors, post-audit discussion to identify concerns;
- Investigating substantial defaults in payments to stakeholders, monitoring fund utilization;
- Reviewing whistle-blower mechanism functioning;
- Approving Chief Financial Officer appointment, assessing qualifications;
- Carrying out functions mandated by laws, agreements;
- Reviewing annual cost audit report; and
- reviewing management analysis, internal audit reports, related party transactions, and unlisted subsidiaries' financials.

During the year under review, the Audit Committee met four (4) times i.e., May 23, 2023, July 21, 2023, October 25, 2023 and January 24, 2024. The necessary quorum was present for all the Meetings. The Chairman of the Audit Committee, Mr. Tapan Ray attended the 16th Annual General Meeting held on September 6, 2023. The minutes of the Audit Committee are noted at the subsequent Board Meeting.

The details of attendance by the Members at the meeting(s) held during the year under review are as under:

Name of the Director	Position	Category	Date of appointment	No. of meetings held (during the members tenure)	No. of meetings attended
Mr. Tapan Ray	Chairman	Independent Director	August 10, 2021	4	3
Ms. Sayali Karanjkar*	Member	Independent Director	January 20, 2024	1	1
Mrs. Manju Agarwal#	Member	Independent Director	January 01, 2022	4	4
Mr. Ashish Agrawal#	Member	Non-executive Director	August 27, 2015	4	4
Mr. Krzysztof Wieslaw Jamroz$	Member	Non-executive Director	April 18, 2024	Nil	NA

* Appointed as a member w.e.f. January 20, 2024

#Ceased to be a member w.e.f. March 1, 2024

$Mr. Krzysztof Wieslaw Jamroz was inducted as a member w.e.f. April 18, 2024

b) NOMINATION AND REMUNERATION COMMITTEE

Pursuant to Section 178 and other applicable provisions of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and Regulation 19 and other applicable regulations of the SEBI Listing Regulations, the Nomination & Remuneration Committee ('NRC') was constituted with terms of reference as detailed herein after.

At the beginning of the financial year, the Committee constituted of Mr. Tapan Ray, Independent Director, Mrs. Manju Agarwal, Independent Director and Mr. Jimmy Mahtani, Non-executive Director. However, Mrs. Manju Agarwal resigned as Director of the Company and its Committees effective from March 1, 2024. The resulting vacancy was thereafter filled by the Board effective from March 4, 2024 by inducting Ms. Sayali Karanjkar as a member to the Committee. The Company Secretary acts as the Secretary to the Nomination & Remuneration Committee.

The Key terms of Reference of the NRC are as under:

- Formulate Director qualifications and remuneration policy;
- Identify and recommend qualified Directors and Senior Management;
- Develop criteria for evaluating Independent Directors and the Board;
- Devise Board diversity policy;
- Analyze and review HR and compensation matters;
- Recommend senior management remuneration;
- Consider succession and emergency planning;
- Review and approve compensation strategy in Indian market context;
- Extend Independent Director appointments based on performance evaluation;
- Administering, monitoring and formulating the terms and conditions of ESOP Scheme including any amendment thereto;
- Conduct annual performance evaluation of Chairperson and Directors;

During the year under review, the NRC met two (2) times i.e., on July 21, 2023 and October 25, 2023. The minutes of NRC are noted at the subsequent Board meeting. The Chairman of the NRC, Mr. Tapan Ray was present at the 16th Annual General meeting held on September 6, 2023.

The details of attendance by the Members at the meeting(s) held during the year under review are as under:

Name of the Director	Position	Category	Date of Appointment	No. of meetings held (during the members tenure)	No. of meetings attended
Mr. Tapan Ray	Chairman	Independent Director	August 10, 2021	2	2
*Ms. Sayali Karanjkar	Member	Independent Director	March 04, 2024	Nil	NA
#Mrs. Manju Agarwal	Member	Independent Director	January 01, 2022	2	2
Mr. Jimmy Lachmandas Mahtani	Member	Non-executive Director	August 27, 2015	2	2

*Appointed as a member w.e.f. March 4, 2024.

#Ceased to be a member w.e.f. March 1, 2024.

Performance evaluation criteria for Independent Directors:

The Performance Evaluation Process adopted by the Board based on the recommendation of the Nomination & Remuneration Committee, *inter alia,* prescribe criteria for performance evaluation of Independent Directors.

In terms of the performance evaluation process, performance of Independent Directors is evaluated on various parameters including rendering independent unbiased opinion, safeguarding interest of whistle blowers, timely inputs on the minutes, upholding ethical standards, objectivity and constructiveness, devotion of sufficient time and balanced decision-making, independent judgements and inputs, seeking clarification and amplification of information, attendance and participation at meetings etc.

Performance evaluation of the Board:

The Board carries out the evaluation of the performance of Directors and Committees of the Board. The purpose of evaluation is to assess the performance of the Directors in discharging their responsibilities and to evaluate how effectively the Board, the Directors and Committees were fulfilling their role and duties.

An annual evaluation of the Board is conducted to assess the performance of the Board as a whole and that of individual Board members. Performance of the Board and its members are assessed based on various predetermined parameters recommended by the Nomination and Remuneration Committee and approved by the Board.

As required under Regulation 25 of the SEBI Listing Regulations, a separate meeting of the Independent Directors of the Company was also held on March 27, 2024 to evaluate the performance of the Chairperson, Non-Independent Directors and the Board as a whole and also to assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board.

Remuneration of Non-executive Directors:

Based on the recommendation of the NRC and Board of Directors of the Company, the shareholders had approved remuneration to be paid to the Non-executive Directors including the Independent Directors of the Company. Pursuant to the approval, the commission/remuneration paid to each of the Non-executive Director shall not exceed 0.50% of the Net profit of the Company for each financial year calculated as per the provisions of the Act, subject to maximum of ₹ 21,00,000/- (Rupees Twenty-One Lakhs only) per annum. In addition, sitting fees of ₹ 1,00,000/- (Rupees One Lakh only) for attending each meeting of the Board or Committee thereof (for maximum 4 Board/Committee meetings in a year) to the Non- executive Directors for the financial year 2024.

Criteria for determination of commission payable to Non-executive Directors:

The Criteria for determination of commission payable to Non-executive Directors including Independent Directors is, *inter alia,* based on:

a) Company's operations;

b) Number of Board and Committee meetings attended during the financial year;

c) Time devoted towards the affairs of the Company; and

d) Performance of the Company during the financial year.

Directors and Officer's Insurance:

In line with the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken Director's & Officers' Management Liability & Company Reimbursement Insurance Policy as determined by the Board.

Nomination & Remuneration Policy:

The Board has approved a Nomination & Remuneration Policy as recommended by the Nomination & Remuneration Committee for remuneration of Directors, Key Managerial Personnel and Senior Management of the Company, which is placed on the website of the Company and can be accessed at http://www.cms.com/corporate-governance/policies-and-codes#GMPB

Policy on remuneration to the Executive Director:

Pursuant to the Nomination and Remuneration Policy of the Company, Remuneration to the Executive Director shall be in accordance with the provisions of the Act. Increments to the existing remuneration/ compensation structure shall be recommended by the NRC to the Board which shall be within the overall maximum limits of managerial remuneration approved by the Shareholders for the Executive Director of the Company and as per the agreement entered into with him. The overall managerial remuneration in respect of any financial year shall be in accordance with the limits laid down under Section 197 and schedule V of the Act. The Company may also grant Employee Stock Options to an Executive Director pursuant to the Employee Stock Options Schemes approved by the shareholders.

Details of the remuneration paid/payable to all the Directors for the year ended March 31, 2024:

The details of remuneration paid to the Directors for the financial year ended March 31, 2024 is provided herein below:

(a) Executive Director

(₹ in Million)

Name	Base Salary	Benefits/ Perquisites	Performance linked Annual Bonus	Perquisite cost on exercise of ESOP*
Mr. Rajiv Kaul	57.33	0.75	72.00	1,684.53

*ESOPS vested during preceding years but exercised by Mr. Kaul during the financial year 2024.

Note:

(i) Pursuant to the service contract entered into with Mr. Kaul, either party may terminate the agreement without cause by giving 45 days notice to the other Party.

(ii) In the event of termination by the Company without cause, Mr. Kaul will be entitled to all payments arising from accrued rights and an amount equivalent to two years CTC (as at the date of termination).

(iii) All stocks options granted to Mr. Rajiv Kaul are as per the schemes which were approved by the shareholders of the Company. No options were issued by the Company at a discount to the face value.

(b) Non- executive Directors

(₹ In Million)

Name	Commission	Sitting fees
Mrs. Shyamala Gopinath	2.10	0.40
Mr. Jimmy Lachmandas Mahtani #	NA	NA
*Mr. Ashish Agrawal #	NA	NA
Mr. Krzysztof Wieslaw Jamroz	2.10	0.40
Mr. Tapan Ray	2.10	0.40
Ms. Sayali Karanjkar	2.10	0.40
*Mrs. Manju Agarwal	1.93	0.40

* Resigned with effect from March 1, 2024

\# Mr. Jimmy Lachmandas Mahtani and Mr. Ashish Agrawal waived their remuneration from the Company.

There was no other pecuniary relationship between any of the Directors and the Company.

c) STAKEHOLDERS' RELATIONSHIP COMMITTEE

Pursuant to Section 178 and other applicable provisions of the Act, read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules 2014 and Regulation 20 of SEBI Listing Regulations, the Stakeholders' Relationship Committee was constituted with terms of reference as detailed hereinafter.

The Committee constitutes of Mr. Tapan Ray, Independent Director (Chairman), Mrs. Shyamala Gopinath, Non-executive Director, Mr. Krzysztof Wieslaw Jamroz, Non-executive Director and Mr. Rajiv Kaul, Executive Director. During the year, there was no change in the constitution of Committee. The Company Secretary acts as the Secretary to the Stakeholders Relationship Committee.

The Key terms of Reference of the Committee are as under:

- Address security holders' and investors' grievances, including transfer/transmission issues;
- Review voting rights exercise by shareholders;
- Supervise Registrar & Share Transfer Agent performance, improving investor services;
- Review measures to reduce unclaimed dividends and ensure timely receipt of documents; and
- Process share transfers, dematerialization, and rematerialization, ensuring compliance

During the year under review, the Stakeholders' Relationship Committee met one (1) time i.e., October 25, 2023, which was attended by all the members of the Company The minutes of the Stakeholders Relationship Committee are noted at the subsequent Board Meeting.

The Chairman of the Stakeholders Relationship Committee, Mr. Tapan Ray was present at the 16th Annual General Meeting held on September 6, 2023.

Details of investor complaints received and redressed during Financial Year 2023-24 are given below:

No. of Complaints

Particulars	From April 01, 2023	Received during the financial year	Cleared/attended during the financial year	Pending as on March 31, 2024
Non-receipt of application money, Annual Report & Dividend	0	4	4	0
Total	0	4	4	0

There were no investor grievances which remained unattended/ pending for resolution for more than 30 days. Request for dematerialization received during financial year 2024 have been processed within the time limit prescribed under SEBI Listing Regulations.

Name, Designation and Address of Compliance Officer:

Mr. Debashis Dey,
Company Secretary & Compliance Officer
CMS Info Systems Limited
Registered Office:
T-151, 5th Floor, Sector 11, Tower No 10, Railway Station Complex, CBD Belapur, Navi Mumbai, Thane - 400 614, Maharashtra
Tel.: 89767 81368 • E-mail ID: company.secretary@cms.com

d) RISK MANAGEMENT COMMITTEE

In line with Regulation 21 and other applicable provisions of the SEBI Listing Regulations, the Board has constituted the Risk Management Committee as per the terms of reference detailed hereinafter.

At the beginning of the financial year, the Committee constituted of Mrs. Shyamala Gopinath, Non-executive Director (Chairperson), Mr. Tapan Ray, Independent Director, Mr. Krzysztof Wieslaw Jamroz, Non-executive Director, Mr. Ashish Agrawal, Non-executive Director and Mr. Pankaj Khandelwal, Chief Financial Officer. During the financial year, Mr. Ashish Agrawal resigned as Director of the Company and its Committees effective from March 1, 2024. The Company Secretary acts as the Secretary to the Risk Management Committee.

The terms of reference of Committee is as under:

- Formulate risk management policy encompassing internal and external risks, including financial, operational, ESG, and cyber risks;
- Implement measures for risk mitigation and business continuity;
- Establish methodology, processes, and systems for risk monitoring and evaluation;
- Oversee implementation and adequacy of risk management systems;
- Periodically review policy to adapt to industry changes;
- Report discussions, recommendations, and actions to the Board; and
- Monitor and review risk management plan, including cyber security.

During the year under review, the Risk Management Committee met two (2) times i.e., May 23, 2023 and October 25, 2023. The minutes of the Risk Management Committee were noted at the subsequent Board Meetings.

The Chairperson of the Risk Management Committee Mrs. Shyamala Gopinath was present at the 16th Annual General Meeting of the Company held on September 06, 2023.

The details of attendance by the Members at the meeting(s) held during the year under review are as under:

Name of the Director	Position	Category	Date of appointment	No. of meetings held (during the members tenure)	No. of meetings attended
Mrs. Shyamala Gopinath	Chairperson	Non-executive Director	January 1, 2022	2	2
Mr. Tapan Ray	Member	Independent Director	January 1, 2022	2	2
Mr. Krzysztof Wieslaw Jamroz	Member	Non-executive Director	August 10, 2021	2	1
Mr. Ashish Agrawal*	Member	Non-executive Director	August 10, 2021	2	2
Mr. Pankaj Khandelwal	Member	Chief Financial Officer	January 1, 2022	2	2

*Resigned w.e.f. March 1, 2024.

e) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

As required under the provisions of Section 135 of the Act, the Board of Directors of the Company has constituted a Corporate Social Responsibility (CSR) Committee as per the terms of reference detailed hereinafter.

The Committee constitutes of Mr. Rajiv Kaul, Executive Director (Chairman), Mrs. Shyamala Gopinath, Non-executive Director, Ms. Sayali Karanjkar, Independent Director, Mr. Krzysztof Wieslaw Jamroz, Non-executive Director. During the year, there was no change in the constitution of Committee. The Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee.

The key terms of reference of the Committee is as under:

- Formulate and recommend CSR Policy aligned with Schedule VII of the Companies Act, 2013;
- Recommend CSR expenditure allocation;
- Monitor CSR Policy implementation and issue necessary directives;
- Identify CSR partners and programs;
- Appoint CSR team;
- Perform additional activities delegated by the Board or mandated by law/ regulatory authority.

During the year under review, the Corporate Social Responsibility Committee met One (1) time i.e., January 24, 2024 which was attended by all the members of the Committee. The minutes of the Corporate Social Responsibility Committee are noted at the subsequent Board Meeting.

Mr. Rajiv Kaul, Chairman of the Committee was present at the 16th Annual General Meeting held on September 06, 2023.

(4) PARTICULARS OF SENIOR MANAGEMENT INCLUDING THE CHANGES THEREIN SINCE THE CLOSE OF THE PREVIOUS FINANCIAL YEAR

Sr. no.	Name	Designation	Date of Joining	Date of Cessation (if applicable)
1	Mr. Pankaj Khandelwal	President & CFO	May 08, 2006	-
2	Mr. Anush Raghavan	President – Cash Management Business	October 01, 2009	-
3	Mr. Manjunath Rao	President – Managed Services Business	July 02, 2012	-
4	Mr. Puneet Bhirani*	President Operations	March 11, 2024	-
5	Mr. Sanjay Singh	Chief Human Resource Officer	July 26, 2021	-
6	Mr. Rohit Kilam#	Chief Technology Officer	November 23, 2020	November 24, 2023
7	Mr. Rajeev Bhatia*	Chief Information Officer	January 24, 2024	-
8	Mr. Pankaj Rawat	Chief Marketing Officer	December 15, 2022	-
9	Mr. Praveen Soni#	Company Secretary & Compliance Officer	January 22, 2009	September 30, 2023
10	Mr. Debashis Dey*	Company Secretary & Compliance Officer	October 25, 2023	-

*Appointed during the year under review.

Resigned during the year under review.

(5) GENERAL BODY MEETINGS

General Meeting:

a) The location and time of the last three Annual General Meeting ("AGM") of the Company were held are as follows:-

Particular	FY21	FY22	FY23
Date	June 30, 2021	September 21, 2022	September 06, 2023
Time	05 : 00 p.m.	03:00 p.m.	03:00 p.m.
Venue	Video Conferencing/Other Audio-Visual Means	Video conferencing/Other Audio-Visual Means	Video Conferencing/Other Audio-Visual Means
Special Resolution	No special resolution was passed	No special resolution was passed	No special resolution was passed

No Extraordinary General Meeting of the members was held during FY24.

b) During the FY24, the following Special Resolutions were passed by way of Postal Ballot on May 20, 2023 and March 2, 2024 respectively.

a) Special Resolutions proposed vide Notice dated April 20, 2023 and passed on May 20, 2023:

i. Re-appointment of Mr. Rajiv Kaul as Executive Vice-Chairman, Whole-time Director and CEO of the Company and approval of his terms of appointment including remuneration;

ii. Approval of CMS Employees Stock Option Plan 2023

iii. Approval of CMS Employees Stock Option Plan 2023 for Holding Company and/ or Subsidiary Company (ies); and

iv. Approval to grant Stock Options to Mr. Rajiv Kaul, Executive Vice-Chairman, Whole-time Director & CEO, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversion) of the Company at the time of grant of Option.

The result of the Postal Ballot notice dated April 20, 2023 was declared on May 20, 2023. The Resolutions passed by requisite majority were deemed to have been passed on the last date of remote e-voting i.e., May 20, 2023.

b) Special Resolutions proposed vide notice dated January 24, 2024 and passed on March 2, 2024*:

i. Re-appointment of Ms. Sayali Karanjkar (DIN: 07312305) as Non-executive Independent Director of the Company.

The results of Postal ballot notice dated January 24, 2024 was declared on March 4, 2024. The Resolution, which was passed by requisite majority was deemed to have been passed on the last date of remote e-voting i.e., March 02, 2024, respectively.

*Note: On March 1, 2024, Mrs. Manju Agarwal, Independent Director, who was proposed to be re-appointed pursuant to Resolution No. 1 of the Postal Ballot Notice, resigned as Director of the Company due to her personal commitments. Consequently, the result of resolution proposed at item No. 1 of the postal ballot notice dated January 24, 2024, became infructuous.

c) **Person conducting the Postal Ballot Exercise:**

Mr. Mukesh Siroya, Proprietor, M/s. M. Siroya & Company, Practicing Company Secretary was appointed as the scrutinizer responsible for the entire Postal Ballot process. Mr. Siroya, conducted both the Postal Ballot processes and submitted the reports to the Company.

d) **Proposal for Special Resolution through Postal Ballot:**

None of the businesses proposed to be transacted at the ensuing Annual General Meeting, scheduled to be held on August 6, 2024 ('AGM'), requires passing of a Special Resolution through Postal Ballot. Presently no special resolution is proposed to be conducted by the Company through Postal Ballot.

e) **Procedure followed for Postal Ballot**

i. Postal Ballots are conducted by the Company as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and relevant Circulars issued by the Ministry of Corporate Affairs as may be in force at the time of Postal Ballot

ii. The results of the Postal Ballot are made available on the website of the Company at www.cms.com besides being communicated to the Stock Exchanges, Depository and Registrar and Share Transfer Agent.

f) **Details of voting results of the Postal Ballot resolutions:**

Postal Ballot Notice dated	Special Resolution	No. of Votes	Votes cast in favor of the Resolution (No. & %)	Votes cast against the Resolution (No. & %)
April 20, 2023	1. Re-appointment of Mr. Rajiv Kaul as Executive Vice-Chairman, Whole-time Director & CEO	135831899	125548000 (92.43%)	10283899 (7.57%)
	2. To approve CMS Employees Stock Option Plan 2023	135829801	125542056 (92.43%)	10287745 (7.57%)
	3. To approve CMS Employees Stock Option Plan 2023 for Holding Company and / or Subsidiary Company (ies)	135829461	125541391 (92.43%)	10288070 (7.57%)
	4. Grant of Stock Options to Mr. Rajiv Kaul, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversion) of the Company at the time of grant of Option	135829460	121477349 (89.43%)	14352111 (10.57%)
January 24, 2024*	Re-appointment of Ms. Sayali Karanjkar (DIN 07312305) as Non-executive Independent Director of the Company	113536846	113164430 (99.67%)	372416 (0.33%)

*On March 1, 2024, Mrs. Manju Agarwal, Independent Director, who was proposed to be re-appointed pursuant to Resolution No. 1 of the Postal Ballot Notice, resigned as Director of the Company due to her personal commitments. Consequently, the resolution proposed at item no. 1 of the postal ballot notice dated January 24, 2024 became infructuous.

(6) MEANS OF COMMUNICATION

a) Quarterly and annual financial results of the Company are disseminated to stock exchanges and hosted on Company's website;

b) Quarterly and annual financial results are published in Financial Express and Loksatta, as required under applicable law;

c) Presentations and media releases on financial position and important events/ material developments of the Company are issued by the Company for information of investors; The Company arranges for investors calls / conferences for discussing financial position of the Company from time to time;

d) The shareholders can also access the details of corporate governance policies, Board committees, financial information, shareholding information, details of unclaimed dividends, etc. on the Company's website;

e) Institutional investors/ analysts presentations and media releases are submitted to the stock exchanges and are also hosted on the Company's website www.cms.com.

(7) GENERAL SHAREHOLDER INFORMATION:

The Company is registered with the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identity Number (CIN) of the company is L45200MH2008PLC180479.

a) **Annual General Meeting for financial year 2024:**

AGM date, time and Venue	The AGM of the Company will be held on Tuesday, August 6, 2024 at 03:00 p.m. through Video Conference or other audio-visual means. For details, please refer to the Notice of the 17th AGM.
Financial Year	April 1, 2023 to March 31, 2024
Dividend Payment Date	Final Dividend, if approved by the shareholders at the ensuing Annual General Meeting, will be transferred by the Company on or before August 11, 2024
Record Date/ Cut-off Date	May 28, 2024 (Record date for dividend)/ July 30, 2024 (Cut-off date for AGM)
Name and Address of Stock Exchanges where Company's securities are listed	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 **National Stock Exchange of India Limited** Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.
ISIN	INE925R01014
Payment of Annual Listing Fees	Requisite Annual Listing Fees has been paid to both the Stock Exchanges.
Stock Code	BSE: 543441 NSE: CMSINFO
In case the Securities are Suspended from Trading, the Directors Report shall explain the Reason thereof	Not Applicable
Share Registrar and Transfer Agents	**Link Intime India Private Limited** C-101, Embassy 247, L. B. S. Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra, India Tel.: +91-22-4918 6200 Investor query registration: cmsinfo.ipo@linkintime.co.in Website: www.linkintime.co.in Details of the Contact person of the Linkintime. Name – Mr. Mahesh Masurkar, Phone +91 22 4918606.
Depository services:	**National Securities Depository Limited** Trade World, A Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai - 400 013. Tel.: +91 22 2499 4200 Fax: +91 22 2497 6351 E-mail: evoting@nsdl.com Investor grievance: relations@nsdl.com Website: www.nsdl.co.in **Central Depository Services (India) Limited** Marathon Futurex, A-Wing, 25th Floor, N. M. Joshi Marg, Lower Parel (East), Mumbai - 400 013. Tel.: +91 22 2305 8640 / 8642 / 8639 / 8663 E-mail: helpdesk@cdslindia.com Investor Grievance: complaints@cdslindia.com Website: www.cdslindia.com
Share Transfer System	All the shares of the Company are held in dematerialized form, hence the equity shares of the Company can be transferred only in dematerialised form.
Dematerialisation of Shares and Liquidity	The Company's Equity Shares are compulsorily traded in electronic form and are available for trading with both the Depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2024, 100% of the Company's total paid-up Equity Share Capital were held in dematerialized mode.
Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any Convertible Instruments, Conversion Date and likely impact on equity	The Company has not issued any global depository receipts, American depository receipts, warrants or any other convertible instruments.
Commodity Price Risk or Foreign Exchange Risk and Hedging Activities	Since the Company operates in domestic market only, it has limited exposure to foreign exchange, hence hedging is not required to cover the risk and commodity price risk is not applicable to the Company.
Plant Locations	The Company has recently opened a plant in Ambattur, Chennai for the production and manufacturing of Banking Automation products. The facility is poised to help the Company to offer integrated banking automation solutions to its banking clients, from production to deployment to surveillance solutions of their complete ATM eco-system.

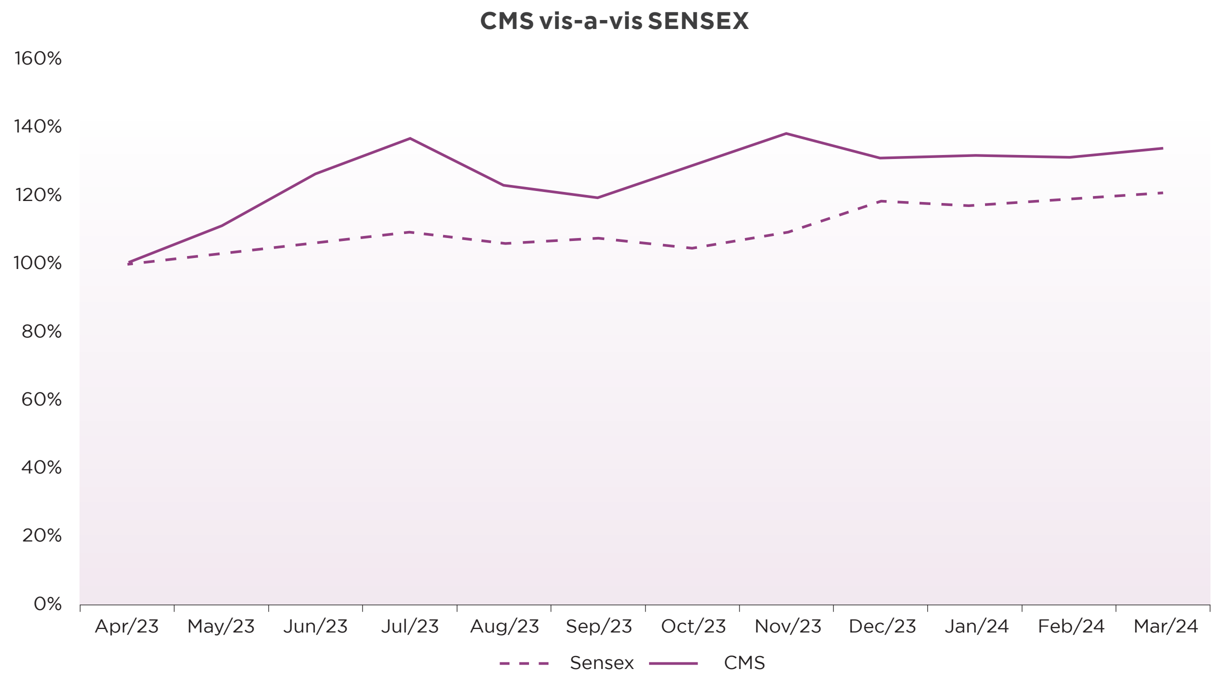
Registered Office and address for correspondence	T-151, 5th Floor, Sector 11, Tower No 10, Railway Station Complex, CBD Belapur, Navi Mumbai, Thane - 400 614, Maharashtra Tel.: 022-4889 7400 Designated e-mail address for Investor Services: company.secretary@cms.com Website: www.cms.com
Corporate Office	**CMS Info Systems Limited** Grand Hyatt Mumbai, Lobby Level, Off Western Express Highway, Santacruz East, Mumbai - 400 055 Phone: - 022-48897400 E-mail: contact@cms.com
List of Credit Ratings along with any revisions during the Financial Year	During the year, the Credit Ratings assigned to the Company remained unchanged as summarized below:

Particulars/Rating Agency	Rating
ICRA Limited	
Long-term/Short-term, Fund based - CC/WCDL	[ICRA] AA+, (Stable)/[ICRA] A1+
Long-term/Short-term, Non-fund Based Limits	[ICRA] AA+, (Stable)/[ICRA] A1+
Long-term/Short-term, Fund based/Non-fund based limits	[ICRA] AA+, (Stable)/[ICRA] A1+

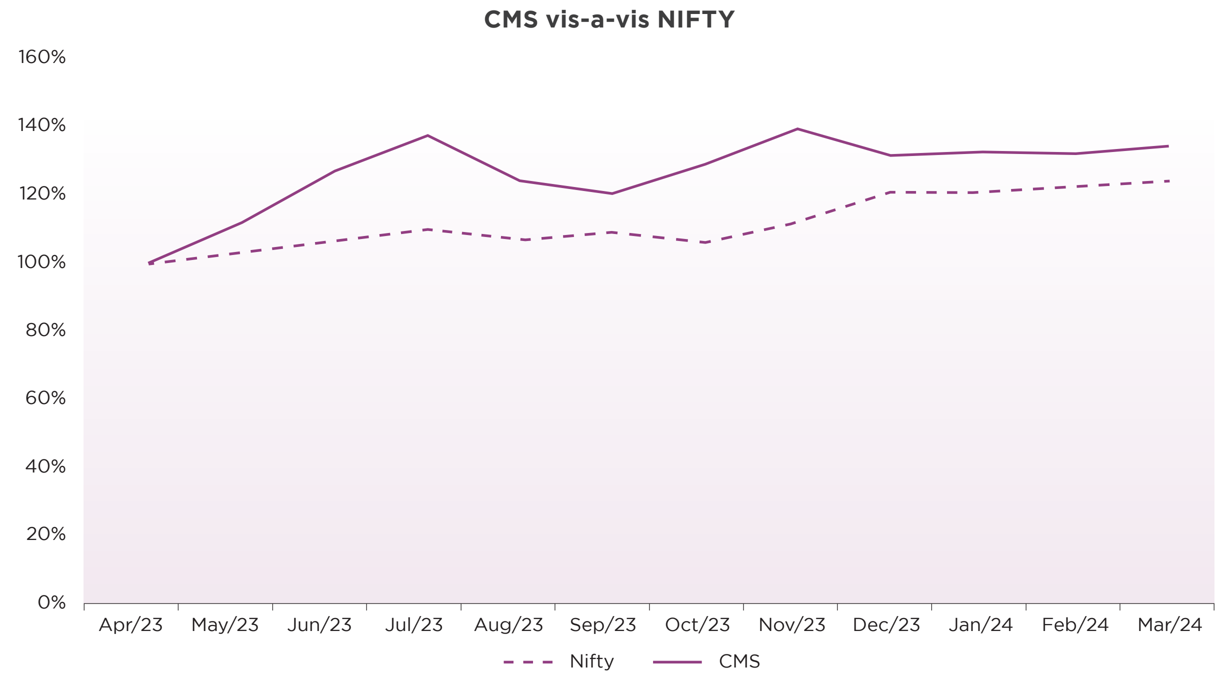
Monthly high and low prices of equity shares of the Company during the financial year ended March 31, 2024:

Month	BSE Limited		National Stock Exchange of India Limited	
April 2023	301.80	276.05	302.00	278.65
May 2023	330.30	285.85	330.55	286.55
June 2023	375.00	297.00	375.00	296.45
July 2023	409.10	362.00	409.40	362.05
August 2023	403.80	346.85	404.35	346.00
September 2023	376.95	341.50	376.60	341.30
October 2023	396.40	344.05	396.75	344.10
November 2023	421.05	369.40	421.40	369.60
December 2023	408.95	370.10	409.00	370.00
January 2024	399.20	363.55	399.50	363.65
February 2024	403.90	355.15	404.00	355.10
March 2024	413.30	372.55	413.70	375.05

Performance of Company's equity shares as compared with S&P BSE SENSEX during Financial Year ended March 31, 2024:



Performance of Company's equity shares as compared with NSE NIFTY 50 during Financial Year ended March 31, 2024:



Distribution of Shareholding as on March 31, 2024:

Sr. No.	Shareholding of Shares	Shareholder*	Percentage of Total	Total shares	Percentage of Total
1	1 to 500	158,402	91.90	13,294,949	8.17
2	501 to 1000	8,019	4.65	5,745,899	3.53
3	1001 to 2000	3,294	1.91	4,638,957	2.85
4	2001 to 3000	938	0.54	2,335,182	1.43
5	3001 to 4000	403	0.23	1,419,688	0.87
6	4001 to 5000	261	0.15	1,218,852	0.75
7	5001 to 6000	501	0.29	3,595,973	2.21
8	10001 and above	552	0.32	130,512,791	80.19
	Total	**172,370**	**100.00**	**162,762,291**	**100.00**

* Based on actual number of folio's

Shareholding Pattern as on March 31, 2024:

Sr. no.	Category	Number of Equity Shares	Percentage of Holding (%)
1.	Mutual Funds	41,728,696	25.64
2.	Alternate Investment Funds	5,474,895	3.36
3.	Insurance Companies	16,463	0.01
4.	NBFCs	4,650	0.00
5.	Foreign Portfolio Investors	59,156,613	36.35
6.	Non-Resident Indians	2,547,997	1.57
7.	Body Corporate - Limited Liability Partnership	541,280	0.33
8.	Other Bodies Corporate	7,842,951	4.82
9.	Resident Individuals holding nominal share capital upto ₹ 2 lakhs	29,696,710	18.25
10.	Resident Individuals holding nominal share capital in excess of ₹ 2 Lakhs	4,100,520	2.52
11.	Hindu Undivided Family	1,283,233	0.79
12.	Directors and their relatives	10,097,354	6.20
13.	Key Managerial Personnel (other than Board Members)	239,397	0.15
14.	Trusts	24,241	0.01
15.	Clearing Members	7,291	0.00
	Total	**162,762,291**	**100.00**

Top ten equity shareholders of the Company as on March 31, 2024:

Sr. No.	Name of the shareholder	Number of Equity shares held	Percentage of Holdings
1	SBI Small Cap Fund	15,000,000	9.22
2	Rajiv Kaul	10,078,931	6.19
3	WF Asian Reconnaissance Fund Limited	8,469,650	5.20
4	ICICI Prudential Multicap Fund	8,058,019	4.95
5	Aditya Birla Sun-life Trustee Limited	7,123,058	4.38
6	Kotak Small Cap Fund	4,834,283	2.97
7	Government Pension Fund Global	4,634,806	2.85
8	Abu Dhabi Investment Authority - Stable	4,457,462	2.74
9	Nomura Funds Ireland Public Limited Company- Nomura Funds Ireland - India Equity Fund	4,310,617	2.65
10	Goldman Sachs Funds - Goldman Sachs India Equity Portfolio	4,044,308	2.48

(8) OTHER DISCLOSURES

a) Materially significant related party transactions:

The Board has formulated a policy for Related Party Transactions and the same has been uploaded on the Company's website and can be accessed at cms.com/corporate-governance/policies-and-codes#GMPB. The Register of contracts containing the transactions in which Directors are interested is placed before the Board for its approval at every Board Meeting.

During the year under review, there was no materially significant related party transactions. All Related Party Transactions as defined under the Companies Act, 2013 were in the ordinary course of business and on at arm's length basis.

b) Details of non-compliance by the Company, penalty, strictures imposed on the Company by the Stock Exchanges, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets during the last three years.

The Company has complied with all the requirements of the SEBI Listing Regulations. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority in connection with violation of capital market norms, rules, regulations etc., during the financial year 2023-24.

c) Whistle Blower Policy and Vigil Mechanism :

In line with Regulation 22 of the SEBI Listing Regulations and Section 177 of the Act, Whistle Blower Policy/Vigil Mechanism has been formulated for Directors and the Employees (including their representative bodies) and other stakeholders to communicate and report genuine concerns about unethical behavior or practices, actual or suspected fraud or violation of Company's Code of Conduct etc. The said Policy provides adequate safeguard against victimization of a whistle blower and it also provides direct access to Chairperson of the Audit Committee in deserving cases. Accordingly, it is affirmed that no person has been denied access to Chairperson of the Audit Committee.

The Whistle Blower Policy has been placed on website of the Company and can be accessed at https://www.cms.com/corporate-governance/index

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements :

The Company is compliant with all the mandatory requirements of the Code on Corporate Governance as specified in Regulations 17 to 27 read with Schedule V and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations. The Company complies with the following discretionary requirements, as stated under Part E of Schedule II to the SEBI Listing Regulations are as under:

Modified opinion(s) in Audit Report: The Auditors have expressed an unmodified opinion in their report on the financial statements of the Company.

Separate posts of Chairperson and the Managing Director or the Chief Executive Officer: The Company has separate posts of Chairperson and the Whole-time Director & Chief Executive Officer. Further, the Chairperson is (a) a Non-executive Director; and (b) not related to the Whole-time Director and Chief Executive Officer.

Reporting of Internal Auditor: The Internal Auditors of the Company reports their findings directly to the Audit Committee.

e) Material Subsidiary companies

The Company has formulated a Policy for determining Material Subsidiaries which is available on the website of the Company at https://www.cms.com/corporate-governance/policies-and-codes#GMPB. The details of material subsidiary of the Company in terms of the Company's Policy for determining material subsidiaries and SEBI Listing Regulations, as on March 31, 2024, were as follows:

Name of Material Subsidiary:
Securitrans India Private Limited
Date of Incorporation: July 16, 1998
Name of Statutory Auditor:
Basant Jain & Associates LLP
Date of Appointment of Statutory Auditor:
September 29, 2023

f) Commodity Risk Management

The Company did not have any commodity price risk and hence, it was not required to carry out hedging activities during the year under review.

The other details about Risk Management have also been provided in the Board's Report forming part of this Annual Report.

g) Details of utilization of funds raised through preferential allotment or qualified institutions placement :

The Company did not raise any fund through Preferential Allotment or Qualified Institutions Placement during the financial year 2024.

h) Certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority :

The Company has obtained the certificate from M/s. M. Siroya and Company, Practicing Company Secretaries for the financial year ended March 31, 2024, copy of which is appended to this report.

i) Instances where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year and reasons for the same :

During the year under review, there were no instances where the Board had not accepted any recommendation suggested by any of the Board Committees.

j) Total fees for all services paid to the Statutory Auditors

The total fees for all the services paid by the Company and its Subsidiaries, on a Consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which Statutory Auditors is a part is as follows:

(₹ in Million)

Particulars	For the year ended March 31, 2024
Statutory Audit Fees	12.10
Out-of-pocket expenses	1.00
Total Auditor's Remuneration	**13.10**

k) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 :

The Company is compliant with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, which aims to protect women at work place against any form of sexual harassment and prompt redressal of any compliant. During FY 2023-24, no complaint was received by the Company in this regard.

l) Code of Conduct for Board Members and Senior Management Personnel :

The Company has formulated and adopted Code of Conduct ('CoC') for members of the Board of Directors and senior management Personnel of the Company which also incorporates the duties of Independent Director as provided in the Companies Act, 2013. The Code is available on the Company's website www.cms.com. The Company has received confirmation from all members of the Board of Directors and Senior Management Personnel regarding compliance of the Code for the year under review.

m) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount :

Not Applicable

(9) NON-COMPLIANCE

There is no non-compliance of any of the requirements of the Corporate Governance report as required under the SEBI Listing Regulations.

(10) DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

No equity shares of the Company were lying in demat suspense account/unclaimed suspense account as on March 31, 2024.

(11) TRANSFER OF UNCLAIMED / UNPAID AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND:

During the year under review, the Company does not have any unclaimed/unpaid amounts to transfer to the Investor Education and Protection Fund.

ANNEXURE A

DECLARATION

I hereby confirm that the Company has received confirmations from all members of the Board and Senior Management affirming their in compliance with the Company's Code of Conduct during the financial year ended March 31, 2024.

For **CMS Info Systems Limited**

Rajiv Kaul
Executive Vice-Chairman, Whole-time Director & CEO
DIN: 02581313

Place: Mumbai
Date: May 15, 2024

ANNEXURE B

To,
The Members,
CMS Info Systems Limited

We have examined the compliance of conditions of Corporate Governance by M/s. CMS Info Systems Limited ('the Company') for the financial year ended March 31, 2024, as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

We have been requested by the management of the Company to provide a certificate on compliance of corporate governance under the relevant provisions of the Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations as amended from time to time to the extent applicable, subject to the following observation that:

1. The meeting of the Risk Management Committee held on May 23, 2023 was held after a gap of more than 180 days from the previous meeting held on November 1, 2022, as required pursuant to Regulation 21(3) of the SEBI Listing Regulations.

We further note that consequent to the resignation of Mrs. Manju Agarwal and Mr. Ashish Agrawal with effect from March 1, 2024, there was a vacancy in the constitution of the Audit Committee of the Company as on March 31, 2024, which was subsequently filled by the Board of Directors of the Company by appointing Mr. Krzysztof Wieslaw Jamroz as a member of the Committee with effect from April 18, 2024.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For M Siroya and Company
Company Secretaries

Mukesh Siroya
Proprietor
FCS No.: 5682
CP No.: 4157
PR No: 1075/2021
UDIN: F005682F000370695

Date: May 15, 2024
Place: Mumbai

Management Discussion and Analysis Report

INDUSTRY OVERVIEW AND OPPORTUNITY

India continues to be the world's fastest-growing large economy, propelled by a favourable blend of factors. With a demographic dividend and a growing middle class, domestic consumption is fueling substantial economic expansion. The International Monetary Fund (IMF) is projecting GDP growth in India to remain strong at 6.8% in FY25 and 6.5% in FY26, with the robustness reflecting in continuing strength in domestic demand and a rising working-age population.

Indian banks play a pivotal role in the nation's growing economy. As the primary financial intermediaries, they facilitate financial inclusion, access to credit, and capital allocation, which are vital for economic expansion. Indian banks are in a goldilocks moment, with retailization driving credit growth.

We are a strategic extension to banks as their critical infrastructure solutions provider. We help financial institutions serve their customers better by transforming banking experiences.

India is experiencing robust growth in domestic consumption, fueled by several factors. An expanding middle class, rising urbanization, and increasing disposable incomes contribute significantly. Additionally, government initiatives promoting financial inclusion and rural development bolster purchasing power in previously underserved regions. India's retail sector is undergoing a remarkable surge, propelling consumption dynamics. Fueled by urbanization, rising incomes, and changing consumer preferences, retail growth becomes a primary driver of economic expansion. E-commerce further catalyzes this trend, enhancing accessibility and choice for consumers across demographics. Government initiatives promoting ease of doing business and modern retail formats contribute to the sector's vibrancy.

We also help retailers enhance efficiency and productivity by reducing costs across multiple facets of operations. During FY24, we onboarded over 40 major retail clients, offering end-to-end technological integration to automate processes, mitigate risks, and enhance working capital management efficiency.

Our overarching goal is to establish ourselves as India's foremost business services platform, harnessing our extensive network, advanced technology, and solution-oriented approach to address complex challenges for our banking, financial services, insurance and retail customers.

The second edition of our annual trends' compendium - the CMS Consumption Report 2024 spotlights the consumption trends and retail hotspots of India, driven by increased cash-based spends. It is underpinned by the proprietary CMS Cash Index™ (CCI) covering more than 1,50,000 business points, with every second ATM and every third organized retail outlet in India being serviced by CMS Cash Logistics.

Key findings from the Report

- FMCG and Consumer Durables feature in the Top 5 retail sectors with high growth consumption in FY24 due to evolving consumer preferences with 16.76% and 3.74% increase in average spending, respectively.
- 4 key retail consumption trends highlight the positive shift in consumption-class Indians due to increased spending in Media & Entertainment, Aviation, Railways and E-commerce sectors.
- Consumption is reaching the grassroots even as Metros continue to hold sway with 10.37% increase in average ATM withdrawals for spends in Metros, followed by 3.94% increase in SURU locations.
- Delhi, Tamil Nadu, Uttar Pradesh, West Bengal, and Karnataka lead with highest growth in ATM withdrawals for spends in FY24.

CMS Consumption Report 2024 is available for download at www.cms.com.

At the industry level, there are clear drivers towards higher outsourcing across all our current lines of business. In Cash Logistics, there are more than 100,000 ATMs that are yet to be outsourced for cash management. The Organized retail sector is growing at eight to ten percent annually, with more than 550,000 touch points, and only less than one-third of these are currently outsourced for cash management. From a mid-term perspective, the market is also ripe for a broad play in currency chest outsourcing. India has about 4,000 currency chests, less than 300 of which are outsourced to third-party companies.

In Managed Services and Technology Solutions, there continues to be a strong growth opportunity linked to both the refresh and expansion cycle in the banking sector. Further, ATM management will shift from being bank-owned to the private sector. The AIoT Remote Monitoring business presents a large untapped opportunity within the banking and the broader BFSI sector as well as non-BFSI sectors.

M&A and partnerships continue to be a core part of our evolution with seven programmatic M&A deals in the last 15 years and a strong partnership with a large global OEM for banking automation products. In the coming years, we will continue to look for value-accretive M&A in the identified adjacencies.

Financial Overview

₹ million	FY24	FY23	Inc/(Dec)	Inc/(Dec)
Revenue from Operations	22,646.77	19,147.30	3,499.47	18.28%
Other operating income	47.34	47.12	0.22	0.47%
Purchase cost	1,948.63	1,161.73	786.90	67.74%
Employee benefit expenses	3,321.01	2,648.89	672.12	25.37%
Service and security charges	4,493.14	3,815.65	677.49	17.76%
Vehicle maintenance, hire & fuel cost	1,641.35	1,584.29	57.06	3.60%
Other expenses	5,247.93	4,559.41	688.52	15.10%
EBITDA	**6,042.04**	**5,424.45**	**617.59**	**11.39%**
Other income	156.22	41.94	114.28	272.49%
Finance income	136.59	58.12	78.47	135.02%
Finance cost	162.10	196.15	(34.05)	-17.36%
Depreciation	1,502.16	1,318.18	183.98	13.96%
PBT	4,670.59	4,010.17	660.42	16.47%
Tax	1,199.18	1,037.81	161.37	15.55%
PAT	**3,471.41**	**2,972.36**	**499.05**	**16.79%**
Adj PAT	3,744.95	3,041.80	703.15	23.12%
EBITDA %	26.68%	28.33%		
PAT %	15.33%	15.52%		

Revenue

Consolidated Revenue from Operations for the Company grew at 18.28% from ₹ 19,147.3 million in FY23 to ₹ 22,646.77 million in FY24, driven by growth across all the business segments.

₹ million	FY24	% of Revenue	FY23	% of Revenue
Cash Management	14,744.23	65.11%	13,262.80	69.27%
Managed Services	7,962.97	35.16%	6,111.27	31.92%
Cards	893.51	3.95%	469.24	2.45%
Inter BU	(953.94)	(4.22%)	(696.03)	(3.64%)
Total Revenue	**22,646.77**	**100.00%**	**19,147.28**	**100.00%**

Cash Management revenue grew by 11.17% from ₹ 13,262.80 million to ₹ 14,744.23 million driven by strong growth in retail cash management business where the number of points expanded by 25% in FY24.

Managed Services revenue grew by of 30.30% from ₹ 6,111.27 million to ₹ 7,962.97 million driven of a ramp up in ATM-as-a-Service business, growth in Banking Automation deployment and execution of the Remote Monitoring orderbook.

Purchase Cost

Purchase Cost primarily includes purchasing ATMs, Recyclers, Kiosks, and Spare Parts for subsequent sale to Banks. Purchase cost grew by 67.73% from ₹ 1,161.74 million in FY23 to ₹ 1,948.64 million in FY24 due to increase in our Product revenue.

Employee Benefit Expenses

Employee Benefit Expenses primarily include salaries, wages, bonuses, and employee welfare expenses. Employee benefits expenses grew by 25.37% from ₹ 2,648.89 million in FY23 to ₹ 3,321.01 million in FY24 on account of headcount addition due to business growth and an increase per employee. Employee Cost mentioned above included ESOP expenses amounting to ₹ 365.55 million in FY24 compared to ₹ 92.80 million in FY23. Employee Expenses excluding the non-cash ESOP expenses grew at 15.62% compared to revenue growth of 18.28% on account of non-linearity in business and overall change in business mix.

Service and Security Charges

Service and Security Charges include costs incurred for hiring (non-own payroll) employees. Service security expenses grew by 17.76% from ₹3,815.65 million in FY23 to ₹ 4,493.14 million in FY24 on account of headcount addition due to business growth, compliance implementation, and an increase in per unit cost.

Vehicle Maintenance, Hire, and Fuel Cost

Vehicle Maintenance, Hire and Fuel Cost include costs incurred for maintenance and fuel for running owned vehicles and vehicles hired. Vehicle maintenance, hire, and fuel cost expenses grew by 3.60% from ₹ 1,584.29 million in FY23 to ₹ 1,641.35 million in FY24 on account of business growth and fuel/vehicle rate increase. However, it grew slower than revenue growth because of productivity improvement, business mix changes, and an increased proportion of owned vehicles.

EBITDA and Adjusted PAT

Adjusted PAT growth outpaced revenue growth growing at 23.12%, resulting in margin expansion. EBITDA margin saw a slight contraction of 165 basis points and PAT margin contracted by 20 basis points (bps), between FY23 and FY24, driven mainly because of non-cash ESOP expenses. Adjusted for these ESOP expenses, PAT margin has expanded by 65 basis points (bps).

Key Financial Ratios

₹ million	FY24	FY23	FY22
Ratios – Financial Performance			
EBITDA/Revenue	26.68%	28.3%	25.3%
Profit after Tax/Revenue	15.33%	15.5%	14.1%
Ratios – Growth			
Revenue	18.28%	20.4%	21.7%
EBITDA	11.39%	34.7%	32.9%
PAT	16.79%	32.7%	32.9%
Ratios – Balance Sheet			
Debt-Equity Ratio	-	-	-
Day Sales Outstanding (DSO)	116	100	115
Current Ratio	2.9x	2.9x	2.2x
Return on Net Worth (%)	19.78%	21.1%	20.0%
Net Operating Cash Flow/EBITDA	72.80%	75.2%	63.9%

The Company has been zero net debt during the last six years resulting in a nil debt equity ratio. We have delivered improvement across all key financial metrics/ratios driven by further strengthening of our market leadership position, continuous operational efficiency improvement and a higher share of value-added services.

Segment wise Performance

Cash Logistics

Our Cash Logistics business continues to be the market leader in India with pole position across the segments of the industry, viz., ATM cash management, retail cash management (RCM) and cash-in-transit (CIT). Our Company has a 40% revenue share of the organized cash logistics market in India.

We continue to see healthy growth in volume as well as realizations in our business. Our total business points for cash logistics (across ATM and retail) have grown from 124,000 in March 2023 to 137,000 by March 2024, translating into an annual growth in excess of 10%.

In FY24, we also launched and expanded our Retail 360 offering and direct to retail solutions for retail that has helped deliver a 25% annual growth in retail cash management points. We have invested in technology and done API integrations for more than 30 retail customers.

We continue to focus on driving operational efficiency and, in FY24 as well, have improved our route efficiency by 10% over FY23. As a market leader in the industry, CMS is also at the forefront of compliance. At the end of March 2024, 20% of CMS ATM base was replenished using the RBI-mandated Cassette Swap process.

Financial Performance – Cash Logistics

₹ million	FY24	FY23	Inc/(Dec)
Revenue	14,744	13,263	1,481
EBIT	3,850	3,363	487
EBIT %	26.10%	25.4%	0.7%

Managed Services

Our Managed Services business was incubated ten years ago riding on CMS' strength in the Cash Logistics business. Over the years, we have built capabilities across software, banking automation and integrated ATM-as-a-service offering.

There is a large banking expansion and refresh cycle underway with 10,000 new ATMs being added and another 40,000 being replaced. Banks are increasingly focusing on total integrated outsourcing with nearly half of the 50,000 replacements and additions expected to be under this model while the remaining are being procured under bank-owned model.

CMS, with its enhanced competitiveness across the value chain and integrated offering that also includes own ATM manufacturing facility in Chennai and in-house AIoT Remote Monitoring Solution stack, has been able to have its best-ever year for new order wins in FY24 clocking ₹ 18,500 million of order wins across services in Managed Services and Technology Solutions. This represents nearly doubling of the order wins in FY23.

We have further built on the successful adoption of our AIoT Remote Monitoring and scaled it up to a strong leadership in the Banking segment with over 25,000 sites. We are also investing in expanding our tech capabilities by expanding the AI library and use cases for different sectors. In FY24, we have conducted pilots in sectors ranging from NBFCs to insurance and quick commerce to EV charging networks.

Our market-leading position in the ATM software solutions suite continues to deliver wins with leading banks nationwide. ALGO MVS is deployed on 25% of ATMs and ALGO OTC covers 30% of the ATMs in India.

Financial Performance – Managed Services

₹ million	FY24	FY23	Inc/(Dec)
Revenue	7,962	6,111	1,851
EBIT	1,445	1,211	234
EBIT %	18.15%	19.82%	(1.67%)

Risk Management

The Company has established a formal risk management policy to ensure the highest standards of operational best practices and corporate governance.

Our Risk Management Policy sets out the objectives and elements of risk management within the organization and helps to promote risk awareness amongst employees and to integrate risk management within the corporate culture. The policy aims to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

The Company has identified the following as the Key risks facing the organisation:

Industry and Macro	Operational	Cyber-Security & IT	Financial & Business	Regulatory & Compliance
• Decline in cash usage Slowdown in ATM deployment	• Thefts, robberies, frauds & embezzlements • Penalties and chargebacks • Safety in transit	• Cyber attacks • Infrastructure failures	• Mutli-year warranties to customers • Financial frauds	• Non-compliance to applicable acts, rules and regulations • Wage Code

Industry and Macro Risks

- Our Cash Logistics business model is linked to the number of touchpoints (ATM and retail cash management points) and activities and, hence not directly impacted by change in currency volume/currency in circulation.
- Strong focus on diversification of revenue streams. In addition, active work is being done to look at potential area of expansion into adjacencies.
- Selective bidding and participation in BLA business (only business with a direct linkage to transaction activity at ATM).

Operational Risks

- Daily three-way reconciliation with banks and managed services providers.
- Comprehensive audit framework-ATM audit, route audit, cash vault audit, and branch process audit to highlight potential shortages.
- Team of ~200 auditors and former senior police and army personnel across the country.
- Use of ML-based behavioral tools for identifying high-risk custodians.
- Comprehensive insurance coverage across on-premise and in-transit incidents.
- Safety in transit: regular awareness campaigns, training through original equipment manufacturer (OEM) partners, and reward program.

Cyber-security and IT Risks

- Multiple best practices have been adopted to ringfence our business from any potential cyber security/infrastructure failure.
- Security Operations Centre runs 24*7 with real-time threat detection and monitoring.
- PCI-DSS compliance in place for Managed Services BU.
- Implementation of multifactor authentication (MFA) for all core applications.
- Periodic Phishing awareness assessment & prevention initiatives conducted.

Financial and Business Risks

- Testing of internal financial controls by the finance team and the auditors.
- Comprehensive internal audit.

Internal Financial Controls and Adequacy

We have a well-covered risk management framework (mentioned above) that works at different levels across the organisation. Our internal control systems are regularly tested for design, implementation, and operating effectiveness. We have established adequate internal financial control systems to ensure reliable financial reporting and compliance with applicable laws and regulations.

All resources are put to optimal use and adequately protected against any loss. All transactions are pre-authorised, recorded, and reported correctly. The principles of risk avoidance, such as the segregation of duties and approval-based authorization matrix, form the core of the internal control system.

An independent internal audit team and external consultants supplement our internal control systems.

Internal audits are conducted regularly by M/s. Grant Thornton Bharat LLP and their summary, as well as recommendations, are placed before the Audit Committee of the Board of the Company.

The Audit Committee reviews the Internal Audit Report on Internal Financial Control Systems periodically.

Business Sustainability

Maintaining transparency, ethical conduct, and ensuring accountability are not just tenets, but a CMS practice ensuring a culture of integrity throughout our organization.

Stakeholder Engagement

We believe that transparent, and meaningful dialogues with our stakeholders is imperative to the success of our business. We aspire to build long-term connects with our stakeholders through continuous and open communication, to understand their perspective, needs and concerns. We strive to gain insights, identify emerging risks and opportunities, and incorporate the outcome of this communication into our decision-making process.

We have instituted a Stakeholder Engagement Policy (available at www.cms.com) which outlines our framework to engage with stakeholders, ensuring consistency of our engagement efforts. Through this Policy, we aim to create an environment conducive for feedback, enhancing the potential for innovations and operational efficiency. We create opportunities for open dialogue with our stakeholders to encourage opinions regarding any feedback, grievances, or suggestions as per the Policy.

Human Resources and Industrial Relations

We operate a critical service for the country by solving customers' challenges and adapting to evolving market conditions to drive last-mile impact. We are passionate about making a real difference. People play a pivotal role at CMS. The Company has continued to maintain the harmonious Industrial Relations across all its offices/establishments.

Refer the People section of this report for further details on the initiatives and updates for the year.

ESG Highlights 2023-24

Environment	• Implemented Vision AI solution at over 18,000 sites for smart energy management • BS VI compliance on all new fleet additions • 10%+ improvement in fleet fuel efficiency • Multiple initiatives for energy efficiency : fleet (CNG), sensor-based LED lighting
Social	• 35,000+ training hours invested for skill upgradation programs • 76% people employed beyond Metros and Tier-1 cities • c. 46% veterans in field leadership & governance roles from ex-armed & ex-civil forces
Governance	• No cases of data breach • No cases of breach of Code of Conduct

Cautionary Statement

Some statements in this Management Discussion and Analysis describing the the Company's objectives, projections, estimates and expectations may contain certain 'forward-looking' statements within the applicable laws and regulations. Actual results could differ from those expressed or implied. Various factors may cause events or trends to vary significantly from those reflected or implied by these forward-looking statements and predictions. The Company assumes no responsibility to publicly amend, modify, or revise any such statements. The Company disclaims any obligation to update these forward-looking statements except as may be required by law.

On Behalf of the Board of Directors of
CMS Info Systems Limited

Shyamala Gopinath
Chairperson
(DIN: 02362921)

Rajiv Kaul
Executive Vice-Chairman,
Whole-time Director & CEO
(DIN: 02581313)

Place: Mumbai
Date: May 15, 2024

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURE

I. Details of the Listed Entity

Sr. No.	Particulars	Details
1	Corporate Identity Number (CIN) of the Listed Entity	L45200MH2008PLC180479
2	Name of the Listed Entity	CMS Info Systems Limited
3	Year of incorporation	2008
4	Registered office address	T-151, 5th Floor, Tower No. 10, Railway Station Complex, Sector -11, CBD Belapur, Navi Mumbai - 400 614
5	Corporate address	Grand Hyatt Mumbai, Lobby Level, Off Western Express Highway, Santacruz East, Mumbai – 400 055
6	E-mail	contact@cms.com
7	Telephone	022 - 48897400
8	Website	www.cms.com
9	Financial year for which reporting is being done	April 1, 2023 to March 31, 2024
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) The National Stock Exchange of India Limited (NSE)
11	Paid-up Capital	₹ 162,76,22,910
12	Contact Person	
	Name of the Person	Debashis Dey
	Telephone	+91 8976781368
	Email address	company.secretary@cms.com
13	Reporting Boundary	
	Type of Reporting	Consolidated
	If selected consolidated:	

Sr.	Name of the Subsidiaries/JVs/ Associate Companies	CIN
1.	Securitrans India Private Limited	U74999DL1998PTC095012
2.	CMS Securitas Limited	U67190DL1999PLC098107
3.	Quality Logistics Services Private Limited	U60231MH2015PTC266933
4.	Hemabh Technology Private Limited	U72200MH2021PTC373699
5.	CMS Marshall Limited	U46711MH2006PLC158878
6.	CMS Info Foundation	U88900MH2023NPL399813

Sr. No.	Particulars	Details
14	Name of Assurance Provider	Not Applicable
15	Type of Assurance obtained	Not Applicable

II. Product/Services

		Sr.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
16	Details of business activities	1.	Cash Management Services	Cash Management Services includes ATM Cash Management Services; Retail Cash Management Solutions; Cash in transit Services for Banks and other related services.	61%
		2.	Managed Services	Managed Services includes Banking automation product deployment and AMC; Brown Label ATMs and other managed services for banks, Software solutions including multi-vendor software and automation solutions and Remote monitoring Technology solutions.	35%
		3.	Card Services	Card Services includes revenue from trading in card and card personalization services	4%

		Sr.	Product/Service	NIC Code	% of Total Turnover contributed
17	Products/ Services sold by the entity	1.	Provision of ATM and Cash Management Services	82990	100%
		2.	Banking Automation, Product Deployment, Software solutions including multi-vendor software and automation solutions and Remote Monitoring Technology Solutions		
		3.	Card Services		

III. Operations

		Location	Number of plants	No. of Offices	Total
18	Number of locations where plants and/or operations/offices of the entity are situated:	National	01	258	259
		International	Nil	Nil	Nil

		Locations	Numbers
19	Market served by the entity		
	a) No. of Locations	National (No. of States)	All 28 Indian States and five Union Territories
		International (No. of Countries)	Nil
	b) What is the contribution of exports as a percentage of the total turnover of the entity?	At present the Company provides services to domestic market only.	
	c) A brief on types of customers	The Company is one of the leading business services company in India providing cash logistics and technology solutions to banks, financial institutions, organized retail, and e-commerce companies in India. We also help retailers to enhance efficiency and productivity by reducing costs across multiple facets of operations.	

IV. Employees

20. Details as at the end of Financial Year 2024

Sr.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
a)	Employees and Workers (including differently abled)					
	Employees					
1	Permanent Employees (A)	8,041	7,581	94%	460	6%
2	Other than Permanent Employees (B)*	Nil	Nil	Nil	Nil	Nil
3	Total Employees (A+B)	8,041	7,581	94%	460	6%
	Workers					
4	Permanent (C)	Nil	Nil	Nil	Nil	Nil
5	Other than Permanent (D)*	Nil	Nil	Nil	Nil	Nil
6	Total Workers (C+D)	Nil	Nil	Nil	Nil	Nil
b)	Differently abled Employees and Workers					
	Employees					
7	Permanent Employees (E)	09	09	100%	Nil	Nil
8	Other than Permanent Employees (F)	Nil	Nil	Nil	Nil	Nil
9	Total Employees (E+F)	09	09	100%	Nil	Nil
	Workers					
10	Permanent (G)	Nil	Nil	Nil	Nil	Nil
11	Other than Permanent (H)	Nil	Nil	Nil	Nil	Nil
12	Total Differently Abled Employees (G+H)	Nil	Nil	Nil	Nil	Nil

*The Company is in the service industry accordingly workers hired through third parties on contractual/casual basis for temporary period have not been considered for the reporting year.

21. Participation/Inclusion/Representation of Women

Sr.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1.	Board of Directors*	06	02	33.33%
2.	Key Management Personnel*	02	Nil	Nil

*Mr. Rajiv Kaul, Executive Vice-Chairman, Whole-time Director and Chief Executive Officer (KMP) is also a member of the Board of Directors and hence his details are considered under Board of Directors category only. Consequently, only Mr. Pankaj Khandelwal, President & Chief Financial Officer (CFO) and Mr. Debashis Dey, Company Secretary and Compliance Officer are considered as KMP for above disclosure.

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Category	FY2023-24			FY2022-23			FY2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	34.31%	41.43%	34.46%	39.3%	36.7%	39.2%	32.8%	34.3%	32.9%
Permanent Workers	NA*	NA*	NA*	NA*	NA*	NA*	NA*	NA*	NA*

*NA - Not Applicable

V. Holding, Subsidiary and Associate Companies (including Joint Ventures)

23. (a) Names of Holding/Subsidiary/Associate Companies/Joint Ventures

Sr. No.	Name of the Holding/Subsidiary/ Associate companies/Joint Ventures	Indicate whether it is a Holding/Subsidiary/ Associate/or Joint Venture	% of shares held by Listed Entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/ No)
1	Securitrans India Private Limited	Wholly owned subsidiary	100%	Yes
2	CMS Securitas Limited	Wholly owned subsidiary	100%	Yes
3	Quality Logistics Services Private Limited	Wholly owned subsidiary	100%	Yes
4	Hemabh Technology Private Limited	Wholly owned subsidiary	100%	Yes
5	CMS Marshall Limited	Step down Wholly owned subsidiary	100%	Yes
6	CMS Info Foundation	Wholly owned subsidiary	100%	Yes

VI. CSR Details

24	**a) Whether CSR is applicable as per section 135 of Companies Act, 2013:**	**Yes**
	Turnover (in ₹) *	20,468,381,044/-
	Net worth (in ₹) *	18,891,274,621/-

* Standalone figures

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

The particulars of complaints/grievances on the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct received from various stakeholders are as under:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24 Number of complaints/ grievances filed during the year	FY 2023-24 Number of complaints/ grievances pending resolution at close of the year	FY 2023-24 Remarks	FY 2022-23 Number of complaints/ grievances filed during the year	FY 2022-23 Number of complaints/ grievances pending resolution at close of the year	FY 2022-23 Remarks
Communities	Yes. The Company has established a dedicated investor desk to facilitate clarification of any queries or reporting of any non-compliances and has identified designated personnel to address queries received through emails/ phone. For internal stakeholders, such as employees, the Company has set up Human Resource Management System (HRMS) as the internal employee helpdesk. The Company has formulated a Stakeholder Engagement Policy, (available on the website : https://www.cms.com/corporate-governance/index), which incorporates Grievance Redressal Mechanism to redress all stakeholder grievances. The Board of Directors of the Company has also established a Stakeholders Relationship Committee to monitor and investor grievances received from various external investors, including establishing a dedicated email ID: company.secretary@cms.com. The Company has also setup a Vigil Mechanism/Whistle-Blower Policy (available at https://www.cms.com/corporate-governance/index), CMS Policy on Prevention of Sexual Harassment at Workplace ('POSH Policy') (available on the Company's Intranet) and CMS Code of Conduct (available at https://www.cms.com/corporate-governance/index) which, *inter alia*, enables its employees to report any incidents of fraud, embezzlement, violation or sexual harassment etc. to the appropriate Authority. Any complaints received under Vigil Mechanism/POSH is investigated by the Vigilance Officer/Internal Complaints Committee (ICC) and appropriate disciplinary/remedial action is taken as may be deemed necessary. Additionally, the Company's Equal Opportunity Policy (available at Company's Intranet) provides guidelines if an employee feels that he or she is being subjected to discrimination, harassment, bullying or victimization. A grievance redressal mechanism has also been instituted where an employee can raise grievances with the local HR representative for appropriate remedial actions.	Nil	Nil	NA	Nil	Nil	NA
Investors (other than shareholders)		Nil	Nil	NA	Nil	Nil	NA
Shareholders		4	Nil	NA	2	Nil	NA
Employees and workers		59	Nil	NA	22	Nil	NA
Customers*		Nil	Nil	NA	Nil	Nil	NA
Value Chain Partners		Nil	Nil	NA	Nil	Nil	NA

*Excludes service-related queries (not in the nature of grievances), which are part of SLA (Service Line Agreement) with the customers. All the service-related queries are resolved within 24 hours.

Note: The following policies are available on the Company's intranet portal and is accessible by all employees to raise any grievances:

1. POSH Policy
2. Equal Opportunity Policy

26. Overview of the entity's material responsible business conduct issues

Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Customer Relationship Management	Opportunity	• Customer Relationship Management includes all steps taken to ensure customer satisfaction and loyalty including engagement, grievance redressal, and feedback mechanisms. • Customer Relationship Management tools are in line with Net Promoter Score (NPS), which provides important data that helps to target relevant customer groups, develop specific products, and ensure that it has all relevant information to strengthen customer relationships.	NA	Positive Implications
Human Capital Development	Opportunity	• Investing in the knowledge, skills, abilities, and overall potential of individuals within an organization provides better asset integrity. • It involves strategies and initiatives aimed at maximizing the value and productivity of human resources.	NA	Positive implications
Corporate Governance	Opportunity	• Strong corporate governance is essential for fostering trust, accountability, and sustainable business practices. • It supports long-term value creation, protects the interests of stakeholders, and contributes to the overall stability and success of the organization.	NA	Positive implications
Cyber Security and Data Privacy	Risk	• Cybersecurity and data privacy risks are significant to the Company due to potential threats and vulnerabilities that can compromise the confidentiality, integrity, and availability of data and information systems.	The Company has the following risk mitigation approach: • Strict adherence to Information Security policy along with 27 additional related policies. • ISO 27001:2013 Information Security Management System (ISMS) certified • Certified with CERTIN for Remote Monitoring System Affiliated with Payment Card Industry Data Security Standard (PCI DSS)	Negative implications
Occupational Health and Safety	Risk	• Prioritization of occupational health and safety encourages the Company to create a safe and healthy work environment that protects employees, enhances productivity, and demonstrates a commitment to their well-being.	The Company has the following risk mitigation approach: • Internal audits to assess health & safety practices and working conditions • Periodic training on fire safety, drills, earthquake preparedness etc. • Implementation of Health, Safety and Environment (HSE) Policy and Fire Safety Policy	Negative implications
Supply Chain Risk Management	Risk	• Due to the nature of the business, a resilient supply chain ensures continuous functionality.	The Company has the following risk mitigation approach: • Adherence to Suppliers' Code of Conduct • Periodic Value Chain assessment on the grounds of human rights. • Prioritization of ethical procurement practices and sustainable sourcing. • Certified by Restriction of Hazardous Substances Directive (ROHS) for compliant procurement.	Negative implications
Stakeholder Engagement	Opportunity	• Stakeholder engagement fosters trust and builds collaborative relationships, which are crucial for informed decision-making and long-term strategic success. It also enhances transparency and accountability, thereby improving the organization's reputation and potentially leading to increased support and loyalty from stakeholders.	NA	Positive implications
Risk & Crisis Management	Risk	• Effective risk and crisis management is vital for long-term financial planning and organizational flexibility. Evaluating ESG and climate related risks on the business and its stakeholders is vital in order to operate smoothly.	The Company proactively identifies and assesses exposures to physical risks like severe weather and transition risks due to environmental and social factors and creating ability to mitigate such risks.	Positive implications
Operational Eco-efficiency	Opportunity	• Operational eco-efficiency will enhance competitiveness in terms of cost reductions, risk management and reduces environmental liabilities. • This will also attract environmentally conscious customers and investors.	NA	Positive Implications

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		The policies formulated and implemented by the Company are in line with the applicable local laws and corporate guidelines which are approved by the Board.								
	c. Web-Link of the Policies, if available	https://www.cms.com/corporate-governance/index								
2	Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		The Company has translated the policies into procedures wherever required.								
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, the Company has adopted Stakeholder Engagement Policy and Vendor & Supplier Code of Conduct that extend to its value chain partners. A copy of the above Policies is available at https://www.cms.com/corporate-governance/index								
4	Name of the national and international codes/ certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The national and international codes/certifications/labels/standards, adopted by the Company and mapped across all NGRBC Principles and are as follows: • ISO 27001:2013 Information Security Management System (ISMS) • ISO 9001:2015 Quality Management System (QMS) • BS-VI Certification in compliance with Ministry of Home Affairs (MHA) and RBI Guidelines • Restriction of Hazardous Substances Directive (ROHS) certification compliant procurement • CERTIN Certification for Remote Monitoring system • Payment Card Industry Data Security Standard (PCI DSS) certification • MasterCard and VISA certification • National Payment Corporation of India (NPCI): RuPay certification								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	**Our strategic pillars and focus areas are:** **Leadership with accountability :** Strengthen Corporate governance Ensure Cybersecurity & data privacy Enhance Brand and reputation **Empowered workforce:** Build an inclusive workforce Human Capital Development Ensure Occupational Health and safety **Environmental Stewardship:** Improve Operational Eco efficiency Ensure Environmental compliance Enhance digital enablement **Collaborative stakeholder Relationship:** Focus on Corporate Social Responsibility & Financial Inclusion Strengthen Sustainable Supply Chain Effective customer relationship management								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The progress on commitments is as follows: • No complaints received on Data privacy & Cybersecurity • No data breaches in the audit period • All offices were assessed for health and safety aspects • Compliant with all applicable environmental law/regulations/ guidelines in India • All concerned employees trained on cybersecurity • Providing services to 97% districts of India • ALGO AIoT monitoring being installed to achieve significant Energy reduction in bank ATMs. • ~13% Procurement through Micro, Small and Medium Enterprises (MSME) vendors • 35000+ training hours for employee skill upgradation • The Company conducts annual assessments across its plants and offices on health and safety • Introduced more trainings across behavioral and technical skills								

Governance, Leadership and Oversight		
7	At CMS, we are integrating Environmental, Social and Governance (ESG) considerations into every aspect of our operations, particularly emphasizing our pursuit of climate change mitigation, social accountability, and adherence to the highest standards. We recognize that our success is intricately linked to the well-being of the planet, society, and our stakeholders, and we are dedicated to creating long-term value for all. We have also taken measures to integrate ESG practices while our decision-making process and operations. Our strategic growth initiatives will consider ESG aspects into developing new products or services and exploring new opportunities. We have made significant strides in integrating efficient energy management across our operations, reducing our carbon footprint, and driving innovations that contribute to environmental sustainability. We believe that our employees are at the heart of our business, and we strive to nurture a productive work environment that promotes diversity, focuses on skill and career development, and gives top priority to their well-being. We have also emphasised our approach towards engaging with our stakeholders, valuing their perspectives, addressing their grievances, and building long-term relationships. We uphold the highest standards of governance and have established a robust ESG governance structure to oversee our ESG practices. We firmly believe in safeguarding the privacy rights of all stakeholders. As digitalisation is on the rise, we have begun our path towards digital transformation in our operations, working on minimising our exposure to cyber threats and safeguarding our critical information systems.	
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policy (ies).	Name: Mr. Rajiv Kaul Designation: Executive Vice Chairman, Whole-time Director & CEO Telephone Number: 022-48897400 E-mail ID: company.secretary@cms.com
9	Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability related issues? (Yes/ No). If yes, provide details.	Yes. The Company has a Committee for Corporate Social Responsibility (CSR). The Company proposes to expand the scope of the CSR Committee to include ESG and sustainability matters.

10. Details of Review of NGRBCs by the Company :	P1	P2	P3	P4	P5	P6	P7	P8	P9
Indicate whether review was undertaken by Director/ Committee of the Board/Any other Committee	The Board of Directors review the performance of the Company against the NGRBC principles at least once on an Annual basis.								
Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company has been complying with the statutory requirements and there have been no instances of non-compliance of NGRBC Principles.								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	The implementation and compliance with the policies are evaluated internally from time-to time and appropriate steps are taken as and when required and reviewed by the Company's statutory auditors. No major deviation was observed during the previous year

12. If answer to question (1) above is "No" i.e.,, not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

ESSENTIAL INDICATORS

1. **Percentage coverage by training and awareness programs on any of the NGRBC Principles during the financial year:**

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programs
Board of Directors	2	Board awareness programs covering topics as mentioned in the NGRBC principles	100%
Key Management Personnel	2		100%
Employees other than BODs & KMPs	263	Trainings accredited by CCA, Technical, Behavioral, Wellness, Health & Safety, CSR, POSH, Fire Mock Drills etc.	100%
Workers	NA	NA	NA

The Company conducts awareness programs on its Code of Conduct which covers various topics i.e Anti-Money Laundering, Conflict-of-Interest, Confidentiality, Human Rights, Labour and social standards, Sexual Harassment, Environment Protection, Occupational Health and Safety (OHS), Information Security etc.

2. **Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format.**

The Company has not been levied a Monetary or Non-Monetary penalty/fine/settlement amount/compounding fee/imprisonment/punishment that is material in nature on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the Company's website.

a) Monetary

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil

b) Non-Monetary

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil

3. **Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

Not Applicable.

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes. The Company's anti-corruption/anti-bribery forms a part of its Code of Conduct, which is applicable to all stakeholders and is publicly available on its website www.cms.com and can be accessed using the link https://www.cms.com/corporate-governance/index . Principles of anti-bribery and anti-corruption is also emphasized in the Code of Conduct for Board of Directors and Key Management Personnel which is also available on the website of the Company and can be accessed here: https://www.cms.com/corporate-governance/index

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

There have been no charges of bribery/corruption filed against Directors, KMPs and Employees of the Company as detailed below:

Category	FY 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	NA	NA

6. **Details of complaints with regard to conflict of interest:**

Topic	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	The Company's Code of Conduct: https://www.cms.com/corporate-governance/index addresses situations involving conflict-of-interest.	Nil	The Company's Code of Conduct: https://www.cms.com/corporate-governance/index addresses situations involving conflict-of-interest.
Number of complaints received in relation to issues of Conflict of Interest of KMPs	Nil		Nil	

7. **Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.**

Since there were no cases hence no corrective action was required.

8. **Number of days of accounts payables ((Accounts payable *365)/Cost of goods/services procured) in the following format:**

	FY 2023-24	FY 2022-23
Number of days of accounts payables	115 days	82 days

9. **Openness of Business**

Parameter	Metrics	FY 2023-24	FY 2022-23
	Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties, in the following format:		
Concentration of Purchases	a) Purchases from trading houses as % of total purchases	NIL	NIL
	b) Number of trading houses where purchases are made from	NA	NA
	c) Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a) Sales to dealers/distributors as % of total sales	NIL	NIL
	b) Number of dealers/distributors to whom sales are made	NA	NA
	c) Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	NA	NA
Share of RPTs in	a) Purchases (Purchases with related parties/Total Purchases)	Nil	Nil
	b) Sales (Sales to related parties/Total Sales)	Nil	Nil
	c) Loans and Advances (Loans & advances given to related parties/Total loans & advances)	Nil	Nil
	d) Investments (Investments in related parties/Total Investments made)	Nil	Nil

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Type	FY 2023-24	FY 2022-23	Details of improvement in social and environmental aspects
Research & Development (R&D)			Not Available*
Capital Expenditure (CAPEX)	50%	35%	**Purchase of new environment friendly vehicles** 1). Engines compliant with BS-VI norms will reduce nearly 25% of Nitrogen Oxide (NOx) emission in petrol vehicles and a substantial 70% in diesel vehicles. 2). Technological upgrades have been made with extensive field tests in Indian driving conditions. 3). The newly acquired vehicle engines have an advanced exhaust and increased durability. 4). The BS-VI compliant engine ensures compliance with more stringent limits on Non-Methane Hydrocarbon (NMHC) emissions. 5). The vehicles also features On-Board Diagnostics (OBD) systems which facilitates monitoring pollution levels. 6). Real Driving Emission (RDE) in the Vehicles aids in checking emission in real-world conditions and not just testing conditions. 7). The new BS-VI compliant vehicles also come with Diesel Particulate Filter (DPF) and the Selective Catalytic Reduction (SCR) which will now enable monitoring the emission levels (not present in the earlier BS-VI vehicles). **Deployment of remote monitoring sites** The Company has also initiated installation of sensor devices for energy/power management

*The Company is engaged in the service industry and hence is not associated with specific infrastructure related with Research and Development (R&D). The Company is in the process of utilizing innovative technologies and ways to minimise its environmental and social impacts of processes on an ongoing basis.

2. a) **Does the entity have procedures in place for sustainable sourcing?**

Yes. The Company has put in place necessary procedures including a 'Vendor & Supplier Code of Conduct' which prioritizes sustainable sourcing wherever practicable.

b) **If yes, what percentage of inputs were sourced sustainably?**

Presently not available. The Company prioritizes ethical sourcing from suppliers and outsourcing services providers that adhere to environmental and social laws, standards, regulations, and compliances.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Product	Process to safely reclaim the product
a) Plastics (including packaging)	The Company is yet to scale up its manufacturing business, which forms an insignificant part of the Company's overall operations, hence safe reclamation of manufactured products for reusing, recycling and disposing at the end of life for plastics (including packaging) is not practicable at this stage
b) E-Waste	The Company has tied -up with a registered e-waste recycler for collection of all the e-waste across PAN India and the e-waste recycler disposes the same at their plant. Customers are explained about the process of disposal and awareness is provided about nearest drop point available to drop the e-waste and also about the incentive that are being offered to them against their end-of-life product. If any customer wants to handover the material from their doorsteps, the Company either uses its logistics team or the e-waste recycler is instructed to collect items and channelize the same to his e-waste plant for final processing. • Users submit non-working/non-repairable IT/electronic items to IT/Admin department at branch locations. • The IT team inspects the IT related items and Admin team inspects non-IT electronic items for confirmation of non-repairability/non-usability of material. • Post inspection, the team prepares a list of disposable items and gets necessary approvals from IT Manager/Admin Head for initiating the disposal process. • Post approvals, the list is shared with the E-Waste partner for inviting proposal. • The proposal received is shared with the Finance Head for commercial approval. • Post the approval, the disposable material is handed over to the e-waste recycler and E-Waste Disposal certificate is received. Further details about e-waste management id detailed in the Company's E-Waste Management Guidelines: https://www.cms.com/index and E-Waste Disposal Policy (available on the intranet portal).
c) Hazardous Waste	The Company does not generate any hazardous waste.
d) Other Waste	The Company is yet to scale up its manufacturing business, which forms an insignificant part of the Company's overall operations, hence safe reclamation of other non-hazardous wastes not practicable at this stage.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

At present, Extended Producer Responsibility (EPR) is not applicable to the Company's business activities

PRINCIPLE 3 : BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

ESSENTIAL INDICATORS

1. a) **Details of measures for the well-being of employees*:**

Category		% of employees covered by									
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	% (E/A)	No. (F)	%(F/A)
Permanent Employees											
Male	7581	7581	100%	7581	100%	NA	NA	7581	100%	Nil	Nil
Female	460	460	100%	460	100%	460	100%	NA	NA	Nil	Nil
Total	**8041**	**8041**	**100%**	**8041**	**100%**	**460**	**6%**	**7581**	**94%**	**Nil**	**Nil**
Other than Permanent Employees											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

*Report on employees/workers hired through third parties (on their roles) for temporary/contractual/casual assignments are not considered for the reporting year.

b) **Details of measures for the well-being of workers:**

Category		% of employees covered by									
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	%(F/A)
Permanent Workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Other than Permanent Workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

c) **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format :**

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the Company	0.33%	0.34%

2. **Details of retirement benefits, for Current and Previous Financial Year:**

Sr.	Benefits	FY 2023-24 No. of employees covered as a % of total employees	FY 2023-24 No. of workers covered as a % of total worker	FY 2023-24 Deducted and deposited with the authority (Y/N/N.A.)	FY 2022-23 No. of employees covered as a % of total employees	FY 2022-23 No. of workers covered as a % of total worker	FY 2022-23 Deducted and deposited with the authority (Y/N/N.A.)
1.	PF	100%	NA	Y	100%	NA	Y
2.	Gratuity	100%	NA	Y	100%	NA	Y
3.	ESI*	100%	NA	Y	100%	NA	Y

* The above represent benefits provided to all the employees who are eligible/have opted for the said retirement benefits.

3. **Accessibility of workplaces: Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

CMS strongly believes in the principles of Non-Discrimination and Equal Opportunity and has taken several steps to comply with the requirements specified under the Rights of Persons with Disability Act, 2016 (RPwD Act) and the Rights of Persons with Disability Rules, 2017 (RPwD Rules), across its sites and locations, including accessibility measures in compliance and alignment to the accessibility mandate of the RPwD Act and (RPwD Rules), to enable persons with disabilities to effectively discharge their duties at the establishment.

Further, measures to improve accessibility of the offices of the Company are underway.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

The Company has an Equal Opportunity Policy. The same is available internally on the intranet portal and the Notice Board of the Company at all locations to facilitate easy accessibility by all employees. Equal and fair treatment is ensured for all employees of the Company.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees Return to work rate	Permanent Employees Retention Rate	Permanent Workers Return to work rate	Permanent Workers Retention Rate
Male	100%	86%	NA	NA
Female	100%	80%	NA	NA
Total	**100%**	**84%**	**NA**	**NA**

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

Category	Yes/ No	Details of the mechanism in brief
Permanent Workers	NA	NA
Other than Permanent Workers	NA	NA
Permanent Employees	Yes	The Company has established a dedicated line to facilitate clarification of any queries or reporting of any non-compliances, and has appointed dedicated personnel across its key locations to address queries received through emails. In addition, the Company has implemented a Human Resource Management System (HRMS) as an internal employee helpdesk. The Company has also setup a Vigil Mechanism/Whistle-Blower Policy (available at https://www.cms.com/corporate-governance/index) CMS Policy on Prevention of Sexual Harassment at Workplace ('POSH Policy') (available on the Company's Intranet) and CMS Code of Conduct (available at https://www.cms.com/corporate-governance/index) which, *inter alia*, enables the concerned employees to report any incidents of fraud, embezzlement, violation or sexual harassment to the appropriate authority. Any complaints received under Vigil Mechanism/POSH is investigated by the Vigilance Officer/Internal Complaints Committee (ICC) and appropriate disciplinary/remedial action is taken as may be deemed necessary. Additionally, the Company's Equal Opportunity Policy provides, if an employee feels that he or she is being subjected to discrimination, harassment, bullying or victimization, he or she can raise grievances with the local HR representative for appropriate remedial actions.
Other than Permanent Employees	NA	NA

7. **Membership of employees and worker in association(s) or Unions recognized by the listed entity:**

Category	FY 2023-24 Total employees/ workers in respective category (A)	FY 2023-24 No. of employees/ workers in respective category, who are part of association(s) or Union (B)	FY 2023-24 % (B/A)	FY 2022-23 Total employees/ workers in respective category (C)	FY 2022-23 No. of employees/ workers in respective category, who are part of association(s) or Union (D)	FY 2022-23 %(D/C)
Permanent Employees						
Male	7581	1657	22%	7525	1673	22%
Female	460	16	3%	389	14	4%
Total	**8041**	**1673**	**21%**	**7914**	**1687**	**21%**
Permanent Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

8. **Details of training given to employees and workers:**

Category	FY 2023-24 Total (A)	FY 2023-24 On Health and safety measures No. (B)	FY 2023-24 On Health and safety measures % (B/A)	FY 2023-24 On Skill upgradation No. (C)	FY 2023-24 On Skill upgradation % (C/A)	FY 2022-23 Total (A)	FY 2022-23 On Health and safety measures No. (B)	FY 2022-23 On Health and safety measures % (B/A)	FY 2022-23 On Skill upgradation No. (C)	FY 2022-23 On Skill upgradation % (C/A)
Employees										
Male	7581	7581	100%	6292	83%	7525	7525	100%	1976	26%
Female	460	460	100%	306	67%	389	389	100%	83	21%
Total	**8041**	**8041**	**100%**	**6598**	**82%**	**7914**	**7914**	**100%**	**2059**	**26%**
Workers										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

The Company engages with its employees on a regular basis to educate them on the Health and Safety measures and creates awareness amongst them about the prevalent health hazards. Health briefing and safety measures are identified based on the nature of jobs, which may have a significant impact on the work environment or may pose occupational health and safety risks.

The Company, on an ongoing basis, also identifies employees, as per the business requirements, for upgradation of skills to ensure that they can cater to their updated job requirements.

9. **Details of performance and career development reviews of employees and worker:**

Category	FY 2023-24 Total (A)	FY 2023-24 No. (B)*	FY 2023-24 % (B/A)	FY 2022-23 Total (C)	FY 2022-23 No. (D)*	FY 2022-23 % (D/C)
Employees						
Male	7581	5433	72%	7525	4257	57%
Female	460	222	48%	389	209	54%
Total	**8041**	**5655**	**70%**	**7914**	**4466**	**57%**
Workers						
Male	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil
Total	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

* Annual Performance and Career Development review is not conducted for Employees who are yet to complete their 'probation period' and those who have tendered their resignation and are serving their 'Notice Period' at the time of this annual exercise. Other than that above Annual Performance and Career Development Review was conducted for 100% of the remaining Employees.

The Company carries out performance and career development reviews on a yearly basis during the performance appraisal cycle. The employees are evaluated as per their eligibility criteria based on their joining date and job position and thereafter as per the ratings and comments by the reporting manager development arch is formulated for each employee.

10. **Health and safety management system:**

a) **Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)**	Yes, as per Health, Safety and Environment (HSE) Policy, the Company integrates the environmental, health and safety program into its business. The Company has also taken various measures for Safety Management Actions including the following: • Hands-on training on evacuation during emergency • Briefing on Fire safety and demonstration and Hands-on training of use of Fire extinguisher • Inspection of Fire Extinguishers on a regular basis • Refilling of Fire Extinguishers at regular intervals • Monthly Inspection of Detectors/sensors at regular intervals.
What is the coverage of such system?	CMS Health & Safety initiatives covers the nature of work environment and the impact it has on the health, including ergonomic health impact, communicable diseases, fire safety and commute/business travel safety. CMS encourages participative approach to mitigate occupational health, safety and environment risks. Standard operating norms have been put in place to ensure all our offices and cash vans operates under safe working conditions.
b) **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**	Through its Health and Safety initiatives, the Company strives to identify work-related hazards, assesses risks and implements appropriate mitigation measures. Assessment of work related hazards and risks is the key dimension of CMS' Health & Safety Initiatives and is a part of its Standard Operating Processes. Development in external and internal processes such as socio political disturbances, natural disasters, resource disruptions and health issues are monitored and evaluated regularly to strengthen the existing Health and Safety mechanism. Office infrastructures are designed and undergoes periodic maintenance to minimise ergonomic and communicable health issues. Being in a service industry, the workplaces are deemed to be non-hazardous and safe in nature. However, due to the inherent nature of the business, CMS' Cash Vaults and Cash Vans are constantly under special security arrangement against potential external threats and embezzlements. Through its Fire Safety Policy, the Company conducts awareness sessions to identify and addresses work-related hazards with respect to fire safety including common workplace fire hazards like flammable liquids, mismanaged stores, smoking buds, cords, wires and tripping hazards alongside earthquake safety and preparedness.
c) **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)**	Yes. Any employee can report any work-related hazards to their respective site HR representatives and also through the Company's Human Resource Management System. Appropriate measures are taken to mitigate such reported hazards. However, being in a service industry, the workplaces are inherently non-hazardous in nature.
d) **Do the employees/worker of the entity have access to non-occupational medical and healthcare services? Yes/No**	Yes. The Company has tied up with a specialist service provider to give preferred services to all CMS employees under its Connect & Heal app - Alyve Health, that offers 24/7 online consultation, Diagnostics and Health Risk Assessment and also discounted medicines. All CMS employees can register on this App and raise their health concerns, which is then attended to by an expert medical professional. In addition, the Company has tied up with an Insurer to provide a Group Term Life Insurance Policy and a Mediclaim policy to address the non-occupational medical and healthcare needs of its employees. Employees are educated about these policies during the induction and these policies are made available on the Company's intranet for ready reference.

11. **Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.90	0.49
	Workers	NA	NA
Total recordable work-related injuries *	Employees	43	11
	Workers	NA	NA
No. of fatalities *	Employees	3	1
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	NA	NA

* All reported injuries and fatalities occurred due to road accidents outside the office premises, while the concerned employees were on official duty.

12. **Describe the measures taken by the entity to ensure a safe and healthy workplace.**

The Company has a robust framework for ensuring a safe & healthy environment for the workforce. The Company takes abundant precautionary measures to avoid any safety related incidents and is continuously evaluating possible technical and logistical solutions to reduce work related injuries and fatalities.

The Company routinely conducts health & safety audits to comprehensively assess health & safety practices and working conditions.

Through its Fire Safety Policy, which is available on the intranet portal and is accessible by all employees, the following measures are taken:

- Conduct regular fire safety awareness sessions to address the following:
  - Disseminate facts and understanding with regards to fire and its associated safety.
  - Identify, address, and reduce fire-related risks in the workplace.
  - Disseminate fire emergency procedures, building evacuation plan, plan and conduct fire drills for facilities.
  - Disseminate medical emergency procedures for both ambulance and non-ambulance emergencies.
  - Correct and safe selection and usage of fire extinguishers.
  - Identify special situations or individuals in the workplace that may require an emergency response rather than a standard response.
- Ensure earthquake preparedness that includes the following:
  - Disseminate earthquake emergency procedures, building evacuation plan and procedures and earthquake safety drills.
  - Disseminate medical emergency procedures
- Disseminate guidelines on incidents of theft of personal property, harassment, or personal assault.

Further, the Company takes the following measures to ensure a safe and healthy workplace:

- Comply with all applicable environment and safety laws, rules, and regulations as responsible business conduct.
- Set Health & Safety targets and goals annually to measure Health and Safety performance, strive to achieve superior results and continually improve.
- Identify work-related hazards, assess risks, and implement appropriate controls.
- Provide education and training to the Company's employees to ensure the knowledge, skills, and understanding to perform their responsibilities and duties at the highest level.
- Routinely review and verify performance with audits, evaluations and other quality assurance and quality control methods.
- Empower and expect employees and contractors to promptly report non-compliance or unsafe conditions and to take immediate action to prevent injuries or accidents.
- Provide relevant safety and health information to contractors and require them to provide proper training towards safe, environmentally sound execution of the work assigned to them.

13. **Number of Complaints on the following made by employees and workers:**

Topic	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	The Company conducts internal audits to assess and address complaints.	Nil	Nil	The Company conducts internal audits to assess and address complaints.
Health & Safety	Nil	Nil		Nil	Nil	

14. Assessments for the year:

Topic	Percentage of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

The Company conducts internal audits to assess health & safety practices and working conditions.

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.**

The Company encourages active involvement of its employees on reporting any non-compliances or unsafe conditions. Immediate action is taken to prevent injuries or accidents and to implement a mitigation plan to avoid future recurrences.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

ESSENTIAL INDICATORS

1. **Describe the processes for identifying key stakeholder groups of the entity:**

The Company identifies and categorizes its valued stakeholders as internal or external on the basis of the nature of their association with the Company.

The Company has identified internal stakeholder groups or individuals as those who work directly with the Company that includes employees and contractual support staff.

The Company has identified external stakeholder groups or individuals as those who are outside the Company and are affected in some way by the business decisions, that includes investors, regulators, value chain partners, customers, community & public at large, service providers, suppliers, vendors, media and government agencies & local authorities.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/Half yearly/ Quarterly /others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and contractual support staff	No	• Regular, direct communication between managers, teams and individuals. • Face-to-face, written, digital and broadcast communications, culture and engagement surveys that include emails and intra-departmental communications. • Group recognition functions organized by Human Resource Department	• Ongoing and daily engagement at all levels as required by staff.	• Proper coordination
Investors (Shareholders)	No	• Annual General Meetings • Extraordinary General Meetings as and when called for. • Investor/Analyst Meet/ briefings for year end and /or quarterly results, announcements. • Investor group meetings • Individual meetings with financial media, shareholders and analysts.	• On a formal basis, after publishing quarterly, half-yearly and yearly results. • On *ad hoc* basis and as requested by the financial media, investment analysts, and investors.	• To brief on business operations of the Company. • Explanation/ clarifications on financial results/material information available in the public domain.
Regulators	No	• Interaction with various regulatory forums, meetings between regulators and management team including one-on-one discussions with various executive officials at prudential meetings as well as onsite meetings.	• As per the timelines provided/ allowed by the concerned Regulator/its officials.	• To facilitate effective and necessary compliance
Value chain partners	No	• One-on-one interaction and meetings to discuss mutual expectations and for finalization of commercials and other ancillary requirements.	• Regular interaction with value chain partners on need basis	• To ensure sourcing of materials at competitive pricing
Customers	No	• Interactions through sales agents, customer relationship managers, regional heads, senior management, and other alternate channels. • Formal written correspondence, emails and telephonic conversation.	• Ongoing interaction which is dependent on customer needs and identified sales, service or guidance opportunities.	• Collaboration and better engagement
Community & public at large	Yes (Disadvantaged, Vulnerable and Marginalized communities who are beneficiaries of CSR initiatives)	• Community building and engagement exercises through CSR channel partners and public engagement activities conducted by the Company.	• Ongoing – to create partnerships that serve to facilitate our sustainability activities and with channel partners including CSR activities.	• Positive impact assessment through beneficiaries
Service Providers, Suppliers and Vendors	No (Suppliers and vendors are selected as per MHA and RBI guidelines for compliance of provision of cash vans)	• One-on-one negotiations and meetings for finalization follow up, and after sales service.	• Ongoing or as and when required or dictated by performance contracts and/or agreements.	• To ensure that materials and services are procured at competitive pricing.
Media	No	• Interviews with key business Heads on relevant matters. • Ongoing telephone and email interaction regarding media enquiries.	• Ongoing interactions in response to business related media enquiries as and when required. • Regular interactions to share information and respond to media queries.	• Better brand and reputation management.
Government Agencies & Local Authorities	No	• Various engagements with national, state and local level and participation in industry and sector forums.	• As per the applicable timelines or as and when deemed necessary.	• To facilitate public advocacy/ representation.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

ESSENTIAL INDICATORS

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	8041	8041	100%	7914	7914	100%
Other than permanent	Nil	Nil	Nil	Nil	Nil	Nil
Total	**8041**	**8041**	**100%**	**7914**	**7914**	**100%**
Workers						
Permanent	Nil	Nil	Nil	Nil	Nil	Nil
Other than permanent	Nil	Nil	Nil	Nil	Nil	Nil
Total	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

The Company engages on a regular basis with employees to educate them on the Health and Safety measures and create awareness amongst them on the applicable human rights law. The Company also sends regular updates through emailers on the applicable laws and any amendment(s) thereto.

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	7581	487	6%	7094	94%	7525	938	12%	6587	88%
Female	460	5	1%	455	99%	389	35	9%	354	91%
Other than Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Workers										
Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

3. **(a) Details of remuneration/salary/wages, in the following format:**

Category	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (₹ in million)	Number	Median remuneration/ salary/wages of respective category (₹ in million)
Board of Directors (BoD)*	4	2.50	2	2.50
Key Managerial Personnel (KMP)*	2	118.13	Nil	Nil
Employees other than BoD and KMP	7578	0.21	460	0.24
Workers	Nil	NA	Nil	NA

*Mr. Rajiv Kaul, Executive Vice-Chairman, Whole-time Director and Chief Executive Officer (KMP) is also a member of the Board of Directors and hence included in Board of Directors category. Therefore, only remuneration of Mr. Pankaj Khandelwal, President & Chief Financial Officer (CFO) and Mr. Debashis Dey, Company Secretary and Compliance Officer are considered for above disclosure.

(b) Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Employee Gross wages paid to females as % of total wages	5.62%	6.61%

4. **Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, as per the Company's Vigil Mechanism, protected disclosures on any human rights violation may be submitted by the concerned employee to the Vigilance Officer of the Company and in deserving cases, to the Chairman of the Audit Committee. The contact details of the concerned officials are mentioned in the Company's policy, which is available on the website of the Company www.cms.com and can be accessed here: https://www.cms.com/corporate-governance/index .

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Company's Vigil Mechanism and Whistle-Blower Policy incorporates mechanism to adequately safeguard employees and Directors from any victimization on raising of concerns of any violations of human rights issues. The employees of the Company have the right/option to report their concerns/ grievances to the Vigilance Officer and/or to the Chairperson of the Audit Committee. The Company ensures confidentiality of such reported violations and assures protection against any discriminatory practices against such reporting employee.

As per the Company's Equal Opportunity Policy, if an employee feels that he or she is being subjected to discrimination, harassment, bullying or victimization, he or she can raise the same with the local HR representative.

Further, pursuant to the Company's POSH Policy, an aggrieved person may make a written complaint to the Chairperson of the Internal Complaints Committee (ICC) of the Company.

On receipt of any such grievances, the matter is thoroughly investigated by the concerned Company Officials and appropriate disciplinary/remedial actions is taken as may be deemed appropriate.

Particulars of all complaints received under the whistle-blower mechanism/POSH along with actions taken thereon is also reported to the Audit Committee/Board on a quarterly basis.

6. **Number of Complaints on the following made by employees and workers:**

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment*	3	Nil	NA	1	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labor	Nil	Nil	NA	Nil	Nil	NA
Forced Labor/Involuntary Labor	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

* The complaints pertains to the subsidiary companies of the Company. The complaints were resolved after investigation by the Internal Complaints Committee (ICC) and disciplinary action were taken based on the findings.

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)*	3	1
Complaints on POSH as a % of female employees/workers	0.65%	0.26%
Complaints on POSH upheld	3	1

* The complaints pertain to the subsidiary companies of the Company. The complaints were resolved after investigation by the Internal Complaints Committee (ICC) and disciplinary action were taken based on the findings.

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company's Vigil Mechanism and Whistle-Blower Policy adequately safeguards and protects complainants from any victimization on raising concerns of any violations of human rights issues. Complainants have the right/option to directly report their concerns/grievances to the Chairperson of the Audit Committee. The Company ensures confidentiality of such reports of violations and assures protection against any discriminatory practices against such complainant. There is an Internal Complaints Committee (ICC) constituted by the Company to address complaints and prevent adverse consequences to the complainant in discrimination and harassment cases.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes. Compliance with Human Rights requirements forms a part of the standard Vendor & Supplier Code of Conduct.

10. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

11. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.**

There were no significant risks/concerns identified from the assessments conducted for child labour, forced/involuntary labour, sexual harassment, discrimination at workplace and wages.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

ESSENTIAL INDICATORS

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
From Renewal Sources		
Total electricity consumption (A) (GJ)	Nil	Nil
Total fuel consumption (B) (GJ)	Nil	Nil
Energy consumption through other sources (GJ)	Nil	Nil
Total energy consumption (A+B+C) (GJ)	**Nil**	**Nil**
From Non Renewal Sources		
Total electricity consumption (D)	78,522	70,219
Total fuel consumption (E)	412,156	372,756
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	490,678	442,975
Total energy consumed (A+B+C+D+E+F)	**490,678**	**442,975**
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees) (GJ per million ₹)	0.000024	0.000030
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP)	0.00050	0.00053
Energy intensity in terms of physical output	121.46	111.95
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

The manufacturing unit of the Company is in its nascent stage and is not energy intensive. The Company does not own any captive power generating units and directly procures power from the state energy grid for normal office operations.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company has not carried out any independent assessment/evaluation/assurance by an external agency.

2. **Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No, the Company does not have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India. Hence, no targets have been set under the PAT scheme.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kiloliters)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater/desalinated water	NA	NA
(v) Others (Rainwater storage)	NA	NA
Total volume of water withdrawal (in kilo liters) (i + ii + iii + iv + v)	**NA**	**NA**
Total volume of water consumption (in kilo liters)	**NA**	**NA**
Water intensity per rupee of turnover (Water consumed/turnover) (kl per crore ₹ of revenue)	NA	NA
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP)	NA	NA
Water intensity in terms of physical output	NA	NA
Water intensity (optional)	-	-

*NA: Not Applicable

Note: The Company does not engage in manufacturing or any water-intensive processes. The Company utilizes water only for routine office purposes which is negligible.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company has not carried out any independent assessment/evaluation/assurance by an external agency.

4. **Provide the following details related to water discharged:**

Parameters	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	**NA**	**NA**
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) To Ground Water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) To Sea Water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third parties		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kiloliters)	**NA**	**NA**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company has not carried out any independent assessment/evaluation/assurance by an external agency.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Since there is negligible usage of water by the Company, it has not implemented a mechanism for Zero Liquid Discharge.

Wastewater generated by the Company's offices from domestic purposes and discharged through municipal wastewater discharge system.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	mg/m3	NA	NA
SOx	mg/m3	NA	NA
Particulate matter (PM)	mg/m3	NA	NA
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	mg/m3	NA	NA
Others – please specify	PPM	**NA**	**NA**

The Company has initiated the process for Stack Emissions monitoring of Diesel Generators (DG) owned by the Company.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company has not carried out any independent assessment/evaluation/assurance by an external agency.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	tCO_2e	30,092.18	27,133.40
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	tCO_2e	15,617.17	13,965.87
Total of Scope 1 emissions + Scope 2 emissions	tCO_2e	45,709.35	41,099.27
Total Scope 1 and Scope 2 Emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations) (in millions)	tCO_2e	0.0000020	0.0000021
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for purchase power parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)		0.000046	0.000049
Total Scope 1 and Scope 2 emission intensity in terms of physical output		**11.31**	**11.39**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company has not carried out any independent assessment/evaluation/assurance by an external agency.

8. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details**

The Company has taken the following initiatives to address Green House Gas (GHG) emissions reduction:

- The Company utilizes BS-VI certified security vans to facilitate transportation of cash as "**Cash Carry Vans**" on account of providing cash management services and is compliant with the Ministry of Home Affairs (MHA) and the Reserve Bank of India (RBI).
- The Company utilizes Vision AI Solution to reduce and monitor the energy consumption of AC and its facilities. The use of motion sensors and relays result in optimization of energy used, subsequently reducing GHG emissions.
- The Company is planning to introduce a green fleet with vehicles in 10-15 cities by shifting from Diesel to CNG and integrating the same in the overall cash management services. Hence by transitioning to clean fuels, the Company is planning to reduce its Scope 3 GHG Emissions.
- Additionally, the Company has installed sensor-based light switches in workstations and washroom areas and replaced all CFL lighting with LEDs in offices to reduce energy consumption, subsequently reducing GHG emissions.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tons)		
Plastic waste (A)	24.46	17.87
E-waste (B)*	0.18	Not Available
Bio-medical waste (C)	NA	NA
Construction and demolition waste (D)	48	NA
Battery waste (E)*	Not Available	Not Available
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)	NA	NA
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	Not Available	Not Available
Total (A+B + C + D + E + F + G+ H)	**72.64**	**17.87**
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	0.003 MT	0.0009 MT
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP)	0.073	0.021
Waste intensity in terms of physical output	0.018	0.004
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-

Parameter	FY 2023-24	FY 2022-23
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
For each category of waste generated, total waste recovered by nature of recovery method (in metric tons)		
Category of waste: Plastic waste (A)		
(i) Recycled	0.17	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	**0.17**	**Nil**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste: Plastic waste (A)		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	24.29	17.87
Total	**24.29**	**17.87**
For each category of waste generated, total waste recovered by nature of recovery method (in metric tons)		
Category of waste: E-waste (B)		
(i) Recycled	Nil	NA
(ii) Re-used	Nil	NA
(iii) Other recovery operations	Nil	NA
Total	**Nil**	**NA**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste: E-waste (B)		
(i) Incineration	Nil	NA
(ii) Landfilling	Nil	NA
(iii) Other disposal operations	0.18	NA
Total	**0.18**	**NA**
For each category of waste generated, total waste recovered by nature of recovery method (in metric tons)		
Category of waste: Construction and demolition waste (D)		
(i) Recycled	Nil	NA
(ii) Re-used	Nil	NA
(iii) Other recovery operations	Nil	NA
Total	**Nil**	**NA**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste: Construction and demolition waste (D)		
(i) Incineration	Nil	NA
(ii) Landfilling	Nil	NA
(iii) Other disposal operations	48	NA
Total	**48**	**NA**
For each category of waste generated, total waste recovered by nature of recovery method (in metric tons)		
Category of waste: Battery waste (E)		
(i) Recycled	NA	NA
(ii) Re-used	NA	NA
(iii) Other recovery operations	NA	NA
Total	**NA**	**NA**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste: Battery waste (E)		
(i) Incineration	NA	NA
(ii) Landfilling	NA	NA
(iii) Other disposal operations	NA	NA
Total	**NA**	**NA**

Parameter	FY 2023-24	FY 2022-23
For each category of waste generated, total waste recovered by nature of recovery method (in metric tons)		
Category of waste: Other Non-hazardous waste generated (H)		
(i) Recycled	NA	NA
(ii) Re-used	NA	NA
(iii) Other recovery operations	NA	NA
Total	**NA**	**NA**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste: Other Non-hazardous waste generated (H)		
(i) Incineration	NA	NA
(ii) Landfilling	NA	NA
(iii) Other disposal operations	NA	NA
Total	**NA**	**NA**

Note: NA = Not Applicable

The Company does not engage in manufacturing and hence there is no hazardous waste, bio-medical waste and radioactive waste from its activities.

*With respect to Battery waste, the Company returns all batteries and its associated waste to the Original Equipment Manufacturers (OEMs). Hence, the responsibility of tracking and monitoring its associated recycling/disposal lies with the OEMs.

*With respect to E-waste, the Company disposes the same through authorized e-waste vendors.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company has not carried out any independent assessment/evaluation/assurance by an external agency.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your product and processes and the practices adopted to manage such wastes.

Being a good corporate citizen, the Company understands its responsibility towards environment and has the following approach towards waste management:

- Being compliant with the applicable waste management laws including e-waste regulations under E-waste (Management) Rules of 2016.
- Strategically intends to reuse and extend the life of its IT and electronic devices to best utilize IT and office infrastructure and reduce wastage.
- Ensuring that all wet and dry waste generated are segregated and disposed through municipal waste collectors.

The Company, through its E-Waste Management Guidelines: https://www.cms.com/index and E-Waste Disposal Policy, which is available on the intranet portal, improves the environmental impact of its e-waste by considering their impact at end-of-life/entire lifecycle, from cradle-to-grave through the following process:

- Users submit non-working/non-repairable IT/electronic items to IT/Admin department at branch locations.
- The IT team inspects the IT items and Admin team inspects non-IT electronic items for confirmation of non-repairability/non-usability of material.
- Post inspection, the team prepares a list of disposable items and gets necessary approvals from IT Manager/Admin Head for initiating the disposal process.
- Post approvals, the list is shared with E-Waste partner for inviting proposal.
- The proposal received is shared with the Finance Head for commercial approval.
- Post the approval, the disposable material is handed over to the e-waste recycler and E-Waste Disposal certificate is received.

The manufacturing business of the Company is in its nascent stage, hence there is no usage of hazardous and toxic chemicals in processes.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:**

    The Company does not have operations/offices in/around any ecologically sensitive areas (ESAs) or ecologically fragile areas (EFAs).

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

    Environmental Impact Assessments of projects is not applicable to the Company for FY 2023-24.

13. **Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Sr.	Specify the law/regulation/ guidelines which was not complied with	Provide details of Non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes. The Company is compliant with all applicable environmental law/regulations/guidelines in India and rules thereunder. There were no non-compliances during the reporting year.				

PRINCIPLE 7: BUSINESSES WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

ESSENTIAL INDICATORS

1. a) **Number of affiliations with trade and industry chambers/associations.**

   The Company has four affiliations with trade and industry chambers/associations.

   b) **List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.**

Sr.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/associations (State/National/International)
1.	Cash Logistics Association (CLA)	National
2.	Confederation of ATM Industry (CATMI)	National
3.	Currency Cycle Association (CCA)	National
4.	The Monitoring Association	International

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities**

   None. The Company is committed to conducting its business solely on the basis of free and fair competition and strictly complies with all applicable laws.

Name of Authority	Brief of the case	Corrective action taken
NA	NA	NA

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT.

ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA notification no.	Date of notification	Whether conducted by independent external agency (Yes/No)	Resulted communicated in public domain	Relevant Web-Link
Social Impact Assessments (SIA) of projects is not applicable to the Company for the reporting year.					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

Sr.	Name of project for which R&R is ongoing	State	District	No of Project Affected Families	% of PAF covered by RAR	Amount Paid to PAFs in the FY (in ₹)
None. The Company does not facilitate any project which can lead to the displacement of people and would require Rehabilitation and Resettlement (R&R).						

3. **Describe the mechanisms to receive and redress grievances of the community**

   As a part of CSR initiatives, CMS engages with community by way of its volunteers and employees. Other than direct feedback, the Company's grievance redressal mechanism also incorporates mechanism for acceptance of grievances from the community.

4. **Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/Small producers *	13%	16%
Sourced directly from within India	83%	91%

*includes services

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost***

Location	FY 2023-24	FY 2022-23
Rural	0.18%	0.20%
Semi-Urban	7.38%	7.07%
Urban	24.47%	17.40%
Metropolitan	67.97%	75.33%

(Categorized as per RBI Classification System - rural/semi-urban/urban/metropolitan)

*Report based on employee mapping done at Branch level.

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN RESPONSIBLE MANNER

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   The Company employs electronic communications (such as email) as its primary communication channel for addressing any customer complaints, and strives to provide responses within a 24-hour turnaround time. Additionally, CMS conducts monthly meetings with its key customers to capture and address their feedback. In addition to this ongoing feedback mechanism, CMS conducts an annual Net Promoter Score ('NPS') survey to gather a summary on the feedback and ratings from its customers.

2. **Turnover of products and/services as a percentage of turnover from all products/service that carry information.**

Type	As a percentage to total turnover
Environment and Social parameters relevant to product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

The Company does not engage in significant manufacturing. Hence, there are no Environment and Social parameters relevant to the product.

The Company engages with an authorized e-waste recycler to facilitate safe recycling/disposal of e-waste in a safe and responsible manner.

3. **Number of consumer complaints**

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data Privacy	Nil	Nil	NA	Nil	Nil	NA
Advertising				Nil	Nil	NA
Cybersecurity	Nil	Nil	NA	Nil	Nil	NA
Delivery of essential services	Nil	Nil	NA	Nil	Nil	NA
Restrictive Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Unfair Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Others	Nil	Nil	NA	Nil	Nil	NA

4. **Details of instances of product recalls on account of safety issues**

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

The Company engages in the provision of services to other businesses. Hence, there are no instances of product recalls on account of safety issues.

5. **Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes. The Company has a comprehensive policy structure to address cyber security and risks related to data privacy by protecting personal information including sensitive personal data or information of individuals collected, received, possessed, stored, dealt with or handled by the Company through its Privacy Policy: https://www.cms.com/index .

The Company's Information Security Policy, which is available on the intranet portal and is accessible to all its employees, covers additional policies as follows:

- Information Classification Policy
- Access Control Policy
- Data Security Encryption Policy
- Data Retention Retrieval and Media Disposal Policy
- Change Management Policy
- Password Management Policy
- Network Security Policy
- Firewall Updates Policy
- Audit Logging and Monitoring Policy
- Patch Management Policy
- Malicious Code Policy
- Application Development Policy
- Vulnerability Management Policy
- Physical Access Control Policy
- Remote Access Policy
- Risk Assessment Methodology
- Third Party Management Policy
- Roles and responsibilities Policy
- Device Backup Policies
- Privileges and Restrictions Policy
- Incident Management Policy

- Technology Usage Policy
- Clear Desk & Screen and Mobile Computing Policy
- Email Policy
- Acceptable Usage Policy
- Mobile Device Policy

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**

None. There are no issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of services for the reporting year.

7. **Provide the following information relating to data breaches:**

a) Number of instances of data breaches - Nil

b) Percentage of data breaches involving personally identifiable information of customers - Nil

c) Impact, if any, of the data breaches - Nil

Independent Auditor's Report

To the Members of CMS Info Systems Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the standalone financial statements of CMS Info Systems Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition	
See Note 2 (h) and 41 to standalone financial statements	
THE KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED IN OUR AUDIT
Revenue from operations for the year is ₹ 20,468.38 million (FY 23: ₹ 17,038.04 million). Refer Note 2 (h) of the accounting policies and Note 19 and 41 to the standalone financial statements. The Company's revenue is primarily derived from sale of products (ATMs, ATM sites and related products) which comprise of ₹ 2,753.67 million (FY 23: ₹ 1,474.77 million) and rendering of services i.e. ATM and cash management services, managed services, annual maintenance services etc which comprise of ₹ 17,714.71 million (FY 23: ₹ 15,563.27 million). We identified revenue recognition as a key audit matter since: • there is an element of inherent risk around accuracy and completeness of revenue and there is a presumed fraud risk around existence of revenue recognised. • overstatement of revenue is considered as a significant audit risk as it is a key performance indicator and it could create an incentive for higher revenue to be recognised. • there is significant audit effort due to volume of transactions, to ensure that unbilled revenue is recorded based on contractual terms and the services are rendered.	In view of the significance of the matter we applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence: • Assessed the appropriateness of the Company's accounting policies in respect of revenue recognition by comparing with applicable Indian Accounting Standards. • Evaluated the design and tested the implementation and operating effectiveness of internal financial controls by testing a randomly selected sample of transactions. • Evaluated the design, implementation and operating effectiveness of Company's general IT controls, and application controls over the Company's IT systems. We have also tested the manual mitigating controls as appropriate. • Performed substantive testing by comparing statistically selected samples of revenue transactions recorded during the year and verified/matched the parameters used in the computation with the relevant source documents. • Examined journal entries posted to revenue to identify unusual or irregular items based on certain high-risk criteria. • Checked completeness and accuracy of the data used by the Company for revenue recognition by performing specific cut off procedures on revenue. On a sample basis, we evaluated the revenue being recognised in the correct accounting period. • For statistically selected sample of unbilled transactions, tested unbilled revenues with subsequent invoicing/other underlying documents to verify services rendered. • Evaluated adequacy of disclosures given in Note 41 to the standalone financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial

statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit, except for the matters stated in the paragraph 2 (B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and that the daily back-up has not been maintained for one accounting software used for preparing billing information (which forms part of the 'books of account and other relevant books and papers in electronic mode') on servers physically located in India.

c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 01 April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B (f) below on reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014.

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 31 to the standalone financial statements.

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 46 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 46 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e) The final divdend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to the payment of dividend.

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

As stated in Note 45 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to the declaration of dividend.

f) Based on our examination which included test checks, except for instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which along with an access management tool, as applicable, have a feature of recording audit trail (edit log) facility except that audit trail was not enabled for accounting software which is used for preparing billing information and audit trail was not enabled for certain fields from 1 April, 2023 till 27 April, 2023 at application level for accounting software which is used for maintaining general ledger. Further, for the period where audit trail (edit log) facility was enabled and operated, we did not come across any instance of audit trail feature being tampered with.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration payable to any director is not in excess of the limit laid down under Section 197 of the Act, except in the case of a whole time director where requisite approvals are taken in the general meeting. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Glenn D'souza
Partner
Membership No.: 112554
ICAI UDIN :24112554BKGFNQ5535

Place: Mumbai
Date: 15 May 2024

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of CMS Info Systems Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of two years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right-of-Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has made investments and granted unsecured loans to companies and other parties, in respect of which the requisite information is as below. The Company has not granted any loans, secured or unsecured, to firms and limited liability partnerships.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to any other entity as below:

Particulars	Loans (All amounts in ₹ millions)
Aggregate amount during the year	
Subsidiaries*	396.81
Others - Employees	9.36
Balance outstanding as at balance sheet date	
Subsidiaries*	64.90
Others - Employees	6.37

*As per the Companies Act, 2013

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of the unsecured loans, are *prima facie*, not prejudicial to the interests of the Company.

(c) According to the information and the explanations given to us and on the basis of our examination of the records of the Company, in the case of unsecured loans given to companies, the repayment of principal and payment of interest has been made as and when demanded. In case of interest free unsecured loans given to other parties (employees), in our opinion, the repayment of principal has been stipulated and the repayments or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

	All Parties (₹ in millions)	Related Parties (₹ in millions)
Aggregate of loans/ advances in nature of loans	406.17	396.81
Percentage of loans to the total loans		97.70%

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") with respect of investments made and loans provided by the Company. The Company has not provided any guarantee, security and accordingly, compliance under Sections 185 and 186 of the Act in respect of providing guarantee or securities is not applicable to the Company.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July, 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of professional tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount demanded (₹ in millions)	Amount paid under protest (₹ in millions)	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Customs Duty	44.29	3.32	2016-17 to 2018-19	Customs Excise and Service Tax Appellate Tribunal, Chennai
Customs Act, 1962	Customs Duty	0.85	0.85	2019-20	Customs Excise and Service Tax Appellate Tribunal, Mumbai
Customs Act, 1962	Customs Duty	2.75	-	2013-14	Customs Excise and Service Tax Appellate Tribunal, Mumbai
Central Sales Tax Act, 1956	Central Sales Tax	0.26	0.017	2010-11 to 2014-15	Commissioner of Sales Tax, Bhubaneshwar Range
The Central Excise Act, 1944	Excise Duty	42.45	3.18	2013-14 to 2017-18	Customs Excise and Service Tax Appellate Tribunal, Chennai
The Central Excise Act, 1944	Excise Duty	26.58	1.99	2013-14 to 2017-18	Customs Excise and Service Tax Appellate Tribunal, Chennai
Bihar Value Added Tax Act, 2005	Value Added Tax	25.73	10.29	2015-16	The Commissioner of Commercial Taxes, Patna
Uttarakhand Value Added Act, 2005	Value Added Tax	1.72	0.69	2014-15	Joint Commissioner State Tax, Dehradun
Orissa Value Added Tax, 2004	Value Added Tax	0.37	0.02	2010-11 to 2014-15	Joint Commissioner of Sales Tax, Bhubaneshwar Range
Entry Tax	Value Added Tax	0.11	0.004	2014-15 to 2015-16	Joint Commissioner of Sales Tax
Orissa Value Added Tax, 2004	Value Added Tax	1.49	0.05	2015-16	Joint Commissioner of Sales Tax, Bhubaneshwar Range
Bihar Goods and Service Tax Act, 2017	Goods and Service Tax	0.81	0.17	2017-18	Joint Commissioner (Appeals)
Madhya Pradesh Goods and Service Tax Act, 2017	Goods and Service Tax	0.02	0.02	2019-20	Joint Commissioner (Appeals)
Jharkhand Goods and Service Tax Act, 2017	Goods and Service Tax	0.42	0.042	2017-18	Appeal pending to be filed before GST Tribunal
Jharkhand Goods and Service Tax Act, 2017	Goods and Service Tax	0.43	0.043	2018-19	Commissioner (Appeals)
Madhya Pradesh Goods and Service Tax Act, 2017	Goods and Service Tax	0.21	0.021	2017-18	Commissioner (Appeals)
Telangana Goods and Service Tax Act, 2017	Goods and Service Tax	1.12	0.11	2019-20	Joint Commissioner (Appeals)
Bihar Goods and Service Tax Act, 2017	Goods and Service Tax	1.55	0.18	2017-18	Joint Commissioner (Appeals)
Income Tax Act, 1961	Income Tax	50.47	41.92	AY 2017-18	CIT Appeals
Income Tax Act, 1961	Income Tax	67.86	57.36	AY 2018-19	CIT Appeals

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year except that we have been informed of ten instances of cash embezzlement done by certain manpower provided by the contractors of the Company wherein the total amount involved was ₹ 120.53 million. The Company has filed complaints with the police and has also filed insurance claims for the recovery of amounts involved. Out of the above, the Company has recovered an amount of ₹ 52.59 millions and ₹ 22.65 millions being doubtful of recovery has been written off during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle-blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us, amount remaining unspent under sub-section (5) of Section 135 of the Companies Act, pursuant to ongoing project, has been transferred to special account within 30 days from the end of the financial year in compliance with the provision of sub-section (6) of section 135 of the Act.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Glenn D'souza
Partner
Membership No.: 112554
ICAI UDIN :24112554BKGFNQ5535

Place: Mumbai
Date: 15 May 2024

Annexure B to the Independent Auditor's Report on the standalone financial statements of CMS Info Systems Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of CMS Info Systems Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Glenn D'souza
Partner
Membership No.: 112554
ICAI UDIN :24112554BKGFNQ5535

Place: Mumbai
Date: 15 May 2024

Standalone Balance Sheet

as at March 31, 2024

(₹ in million)

	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	4,447.09	4,406.43
(b) Capital work-in-progress	27	144.03	198.30
(c) Right-of-use assets	5(a)	1,553.40	1,817.22
(d) Goodwill	5	1,227.03	1,227.03
(e) Other intangible assets	5	42.75	76.49
(f) Intangible assets under development	27	33.91	0.24
(g) Financial assets			
(i) Investments	6(a)	2,232.68	1,967.43
(ii) Other financial assets	8	457.35	287.89
(h) Deferred tax assets (net)	9	254.11	248.26
(i) Income tax assets (net)		166.43	181.43
(j) Other non-current assets	10	186.85	112.15
Total non-current assets		**10,745.63**	**10,522.87**
Current assets			
(a) Inventories	11	1,268.60	741.70
(b) Financial assets			
(i) Investments	6(b)	3,896.14	2,289.05
(ii) Trade receivables	12	6,638.75	4,505.32
(iii) Cash and cash equivalents	13	1,459.93	481.98
(iv) Bank balances other than (iii) above	13	928.65	565.57
(v) Loans	7	64.90	200.77
(vi) Other financial assets	8	67.60	11.32
(c) Other current assets	10	554.06	647.98
Total current assets		**14,878.63**	**9,443.69**
Total Assets		**25,624.26**	**19,966.56**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14(a)	1,627.62	1,544.00
(b) Other equity	14(b)	17,263.68	13,423.11
Total equity attributable to equity share holders of the Company		**18,891.30**	**14,967.11**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	16	1,277.34	1,519.43
(b) Provisions	17	37.46	31.87
(c) Other non-current liabilities	18	81.54	6.14
Total non-current liabilities		**1,396.34**	**1,557.44**
Current Liabilities			
(a) Financial liabilities			
(i) Lease liabilities	16	521.29	498.38
(ii) Trade payables			
Dues of micro enterprises and small enterprises	15	59.56	47.14
Dues to creditors other than micro enterprises and small enterprises	15	4,241.06	2,381.17
(iii) Other financial liabilities	16	273.57	326.15
(b) Other current liabilities	18	230.93	179.20
(c) Provisions	17	10.21	9.97
Total current liabilities		**5,336.62**	**3,442.01**
Total Equity and Liabilities		**25,624.26**	**19,966.56**
Summary of material accounting policies	2		
Summary of Significant accounting judgements, estimates and assumptions	3		
The accompanying notes form an integral part of the standalone financial statements.	4 to 51		

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Glenn D'souza
Partner
Membership No.: 112554

Place : Mumbai
Date : 15 May 2024

For and on behalf of the Board of Directors of
CMS Info Systems Limited
CIN: L45200MH2008PLC180479

Tapan Ray
Director
DIN: 00728682
Place : Gandhinagar

Rajiv Kaul
Executive Vice-chairman, Whole-time Director and CEO
DIN: 02581313
Place : Mumbai

Pankaj Khandelwal
Chief Financial Officer
Place : Mumbai

Debashis Dey
Company Secretary
Place : Mumbai

Standalone Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in million)

	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
Revenue from operations	19	20,468.38	17,038.04
Other income	20	778.23	267.77
Total Income		**21,246.61**	**17,305.81**
Expenses			
Purchase of traded goods	21	2,515.68	1,132.07
Changes in inventories of finished goods (including stock in trade)	22	(567.04)	29.67
Employee benefits expense	23	1,307.07	909.59
Finance costs	24	160.77	190.95
Depreciation and amortisation expenses	4, 5&5a	1,423.13	1,241.87
Other expenses	25	11,818.31	10,150.85
Total Expenses		**16,657.92**	**13,655.00**
Profit before tax		**4,588.69**	**3,650.81**
Tax expense	9		
Current tax		1,051.50	966.76
Deferred tax credit		(4.99)	(70.02)
Total tax expense		**1,046.51**	**896.74**
Profit for the year attributable to equity shareholders		**3,542.18**	**2,754.07**
Other comprehensive income ('OCI')			
Items that will not be reclassified to profit or loss			
Remeasurement losses on defined benefit plans		(3.33)	(3.05)
Income tax effect		0.84	0.77
Other comprehensive loss for the year, net of tax		**(2.49)**	**(2.28)**
Total comprehensive income for the year		**3,539.69**	**2,751.79**
Earnings per equity share (face value of share ₹ 10)	26		
Basic		22.67	17.90
Diluted		21.82	17.30
Summary of material accounting policies	2		
Summary of Significant accounting judgements, estimates and assumptions	3		
The accompanying notes form an integral part of the standalone financial statements.	4 to 51		

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Glenn D'souza
Partner
Membership No.: 112554

Place : Mumbai
Date : 15 May 2024

For and on behalf of the Board of Directors of
CMS Info Systems Limited
CIN: L45200MH2008PLC180479

Tapan Ray
Director
DIN: 00728682
Place : Gandhinagar

Rajiv Kaul
Executive Vice-chairman, Whole-time Director and CEO
DIN: 02581313
Place : Mumbai

Pankaj Khandelwal
Chief Financial Officer
Place : Mumbai

Debashis Dey
Company Secretary
Place : Mumbai

Standalone Statement of Cash flows

for the year ended March 31, 2024

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	4,588.69	3,650.81
Adjustments for:		
Depreciation and amortisation on Property,plant and equipment and Intangible asset	996.20	829.99
Depreciation on Right-of-use assets	426.93	411.88
Unrealised foreign exchange gain	(0.21)	(0.78)
Impairment allowance for bad and doubtful receivables and Bad debts written off	793.96	818.73
Profit on disposal of property, plant and equipment (net)	(5.81)	(5.39)
Sundry credit balances written back	(10.18)	(19.75)
Impairment for doubtful claims receivables	-	3.70
Provision written back	(4.76)	-
Insurance claims receivables written off	16.51	11.87
Net gain on lease modification	(9.89)	(3.47)
Finance income	(104.74)	(57.34)
Dividend received	(499.79)	(150.12)
Profit on sale of current investments	(82.63)	(20.71)
Net change in fair value of current investments measured at FVTPL	(57.11)	(10.99)
Employee stock option compensation cost	365.55	92.80
Finance costs	160.77	190.95
Cash generated from operations before working capital changes	**6,573.49**	**5,742.17**
Adjustments for:		
Increase/(Decrease) in trade payables and other liabilities	2,014.62	(391.93)
Increase in provisions	2.49	5.94
Increase in inventories	(526.91)	(112.43)
Increase in trade receivables	(2,927.38)	(1,054.10)
(Increase)/Decrease in other assets and prepayments	(247.63)	568.06
Cash flow generated from operations	**4,888.68**	**4,757.72**
Direct taxes paid (net of refunds)	(1,036.49)	(936.36)
Net cash flow from operating activities (A)	**3,852.19**	**3,821.36**
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	16.76	13.65
Purchase of property, plant and equipment, intangible assets (including CWIP and capital advances)	(1,083.85)	(1,818.79)
Investments in mutual funds and non-convertible debentures	(13,652.45)	(10,842.48)
Proceeds from redemption of mutual funds and non-convertible debentures	11,919.82	9,280.93
Loan given to subsidiary	(396.81)	(680.10)
Repayment of loan from subsidiary	534.07	619.90
Investment in deposits with banks	(1,418.11)	(572.94)
Proceeds from maturity of deposits with banks	1,178.02	567.00
Interest Received	42.75	56.03
Dividend received	499.79	150.12

Standalone Statement of Cash flows (Continued)

for the year ended March 31, 2024

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Net cash flow (used in) investing activities (B)	**(2,360.01)**	**(3,226.68)**
Cash flows from financing activities		
Proceed from issue of equity shares	1,154.10	157.46
Dividend paid	(1,135.15)	(154.06)
Finance costs on lease liabilities	(160.77)	(182.44)
Payment of Principal portion of lease liabilities	(372.39)	(330.41)
Net cash flow (used in) financing activities (C)	**(514.22)**	**(509.45)**
Net Increase in cash and cash equivalents (A+B+C)	**977.97**	**85.23**
Cash and cash equivalents at the beginning of the year	481.97	396.74
Cash and cash equivalents at the end of the year	**1,459.93**	**481.97**
COMPONENTS OF CASH AND CASH EQUIVALENTS:		
Cash on hand	26.47	3.77
Cheques in hand	-	320.25
In deposits account with original maturity of less than three months	350.00	-
Balances with banks		
On current account	1,083.46	157.95
Cash and cash equivalents at the end of the year (refer note 13)	**1,459.93**	**481.97**

The Standalone statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) as issued by the Institute of Chartered Accountants of India.

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Glenn D'souza
Partner
Membership No.: 112554

Place : Mumbai
Date : 15 May 2024

For and on behalf of the Board of Directors of
CMS Info Systems Limited
CIN: L45200MH2008PLC180479

Tapan Ray
Director
DIN: 00728682
Place : Gandhinagar

Rajiv Kaul
Executive Vice-chairman, Whole-time Director and CEO
DIN: 02581313
Place : Mumbai

Pankaj Khandelwal
Chief Financial Officer
Place : Mumbai

Debashis Dey
Company Secretary
Place : Mumbai

Standalone Statement of Changes in Equity

for the year ended March 31, 2024

(₹ in million)

Particular	Equity share capital	Reserve and surplus				Total equity
		Securities premium	Share-based payment reserve (refer note 38)	Capital redemption reserve	Retained earnings	
As at March 31, 2022	**1,531.53**	**765.28**	**331.31**	**150.00**	**9,340.98**	**12,119.09**
Profit for the year	-	-	-	-	2,754.07	2,754.07
Other comprehensive income	-	-	-	-	(2.28)	(2.28)
Total comprehensive income for the year	-	-	-	-	**2,751.79**	**2,751.79**
Transactions with the owners of the Company						
Contributions and Distributions						
Equity shares issued during the year on exercise of stock options	12.47	-	-	-	-	12.47
Transfer on Securities premium on exercise of options	-	35.72	(35.72)	-	-	-
Securities premium on shares issued during the year	-	144.99	-	-	-	144.99
Employee stock option compensation cost	-	-	92.80	-	-	92.80
Dividend Paid	-	-	-	-	(154.06)	(154.06)
Total Contributions and Distributions	**12.47**	**180.71**	**57.08**	-	**(154.06)**	**96.20**
As at March 31, 2023	**1,544.00**	**945.99**	**388.39**	**150.00**	**11,938.71**	**14,967.08**
Profit for the year	-	-	-	-	3,542.18	3,542.18
Other comprehensive income	-	-	-	-	(2.49)	(2.49)
Total comprehensive income for the year	-	-	-	-	**3,539.69**	**3,539.69**
Transactions with the owners of the Company						
Contributions and Distributions						
Equity shares issued during the year on exercise of stock options	83.62	-	-	-	-	83.62
Transfer on Securities premium on exercise of options	-	259.55	(259.55)	-	-	-
Securities premium on shares issued during the year	-	1,070.48	-	-	-	1,070.48
Employee stock option compensation cost	-	-	365.55	-	-	365.55
Dividend Paid	-	-	-	-	(1,135.15)	(1,135.15)
Total Contributions and Distributions	**83.62**	**1,330.03**	**106.00**	-	**(1,135.15)**	**384.50**
As at March 31, 2024	**1,627.62**	**2,276.02**	**494.39**	**150.00**	**14,343.27**	**18,891.30**

Summary of material accounting policies (Refer Note 2)

Summary of Significant accounting judgements, estimates and assumptions (Refer Note 3)

The accompanying notes form an integral part of the standalone financial statements. 4 to 51

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Glenn D'souza
Partner

Membership No.: 112554
Place : Mumbai

Date : 15 May 2024

For and on behalf of the Board of Directors of
CMS Info Systems Limited
CIN: L45200MH2008PLC180479

Tapan Ray
Director
DIN: 00728682
Place : Gandhinagar

Rajiv Kaul
Executive Vice-chairman, Whole-time Director and CEO
DIN: 02581313
Place : Mumbai

Pankaj Khandelwal
Chief Financial Officer
Place : Mumbai

Debashis Dey
Company Secretary
Place : Mumbai

Notes to Standalone Financial Statements

for the year ended March 31, 2024

1. CORPORATE INFORMATION

CMS Info Systems Limited (the 'Company') is engaged in the business of providing ATM and Cash Management services, supply, installation and maintenance of ATM and cash deposit machines, and also engaged in card trading and personalization services.

The Company is incorporated and domiciled in India. The registered office of the Company is located at T-151, 5th Floor, Tower No. 10, Sector 11, Railway station complex, CBD Belapur, Navi Mumbai 400 614.

The Company's shares are listed on the Bombay Stock Exchange Limited (BSE) and the National Stock exchange of India (NSE).

The standalone financial statements were authorized for issue in accordance with a resolution of the directors on May 15, 2024.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS" as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules as amended from time to time. The standalone financial statements have been prepared on historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

Item basis	Measurement
Non derivative financial instruments at FVTPL	Fair value
Liabilities for equity settled share based payments arrangements	Fair value
Net defined benefit (asset)/liability	Fair value of plan assets less the present value of the defined benefit obligation, limited as explained in note 2 (k)

The standalone financial statements are presented in Indian Rupees ('INR' or '₹') in million, which is also the Company's functional and presentation currency. The standalone financial statements are prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the standalone financial statements.

b) Current Versus Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle or expected to be realised within twelve months after the reporting period
- Held primarily for the purpose of trading
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when it is:

- Expected to be settled in normal operating cycle and is due to be settled within twelve months after the reporting period
- Held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified period of twelve months as its operating cycle.

c) Property, Plant and Equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use. While deriving cost, refundable taxes and discounts are excluded. Borrowing cost relating to acquisition of tangible assets

Notes to Standalone Financial Statements
for the year ended March 31, 2024

which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Capital work-in-progress is stated at cost less accumulated impairment.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the standalone statement of profit and loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Standalone Statement of Profit and Loss when the asset is derecognised.

The cost property, plant and equipment as at 1 April, 2017, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as on the date of transition to Ind AS.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

The Company provides depreciation on property, plant and equipment using the straight-line method at the rates computed based on the estimated useful lives of the assets as estimated by the management which are in most cases equal to the corresponding rates prescribed in Schedule II to the Act. Certain assets are depreciated at lower rates.

The Company has estimated the following lives to provide depreciation and amortisation :

Category	Useful lives (in years)
Plant and machinery	7*
Electric installations	5
Furniture, fixtures and fittings for BLA	7
Furniture, fixtures and fittings other than BLA	10
Vehicles (used for ATM and Cash Management business)	7*
Other vehicles	8
Office equipment	5
Computers, servers and peripherals	3 to 6

*The Company, based on technical assessment made by the management, depreciates certain items of plant and equipment and vehicles (used for ATM and Cash Management business) over the estimated useful lives which are different from the useful lives prescribed in Schedule II to the Act. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Leasehold improvements are depreciated on a straight line basis over the shorter of the estimated useful life of the asset or the lease term, which does not exceed 7 years.

The residual values, useful lives and method of depreciation and amortisation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d) Intangible Assets and Goodwill

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets recognised in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets and internally generated intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate.

Notes to Standalone Financial Statements
for the year ended March 31, 2024

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and the cost of the asset can be measured reliably.

Intangible assets are amortised on straight line basis over the estimated useful life as follows:

Particulars	Useful Life
Computer software	3-6 years
Customer contracts (fair value of business combination)	5-6 years
Customer contracts (Purchased)	2-3 years
Non-compete fees	6 years (Non-compete period)

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Standalone Statement of Profit and Loss when the asset is derecognised. Goodwill is tested for impairment annually at the cash-generating unit level.

e) Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, wherever applicable, a long term growth rate is calculated and applied to projected future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

f) Leases

The Company adopted Ind AS 116, leases (which replaces earlier standard Ind AS 17) using modified retrospective approach for transitioning by recognizing right-of-use asset and an equal amount of lease liability on 1 April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at 1 April 2019.

The Company applies a single recognition and measurement approach for all leases and hence the Company has not considered recognition exemptions for any of its leases. The Company recognises lease liabilities to make lease payments and right of-use

Notes to Standalone Financial Statements

for the year ended March 31, 2024

assets representing the right to use the underlying assets.

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

i) Right-of-Use Assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

ii) Lease Liability

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-Term Leases and Leases of Low-Value Assets

The Company does not apply the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and low-value assets recognition exemption.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit and loss due to its operating nature.

g) Inventories

Inventories are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of trading goods, stores and spares is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

h) Revenue Recognition

Revenue is measured at the transaction price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

The Company recognises revenue when it transfers control over goods or services to a customer. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has

pricing latitude and is also exposed to inventory and credit risks. The specific recognition criteria described below must also be met before revenue is recognised.

Ind AS 115 requires an entity to measure revenue at the transaction price excluding estimates of variable consideration that is allocated to that performance obligations.

Sale of goods:

Revenue from sale of goods is recognised at point in time when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

The Company provides and commits preventive maintenance services on its certain products at the time of sale for one or two years from the date the sale. These maintenance services are sold together with the sale of product. Contracts for such sales of product and preventive maintenance services comprise two performance obligations because the promises to transfer the product and to provide the preventive maintenance services are capable of being distinct. Accordingly, a portion of the transaction price is allocated to the preventive maintenance services and recognised as a contract liability. Revenue is recognised over the period in which the preventive maintenance services are provided based on the time elapsed.

Sale of services:

Revenue from ATM and cash management services, card personalization services and allied operations is recognised over time when the required services are rendered in accordance with the contracts / agreements entered into with the customer and is disclosed net off deductions for shortages, etc. charged by the customers as per the terms of the agreement.

Revenue from annual maintenance contracts is recognised, over the period of the maintenance contract.

The contract liabilities primarily relate to the advance consideration received from customers for ATM and Cash management services and allied operations, for which revenue is recognised over time.

Revenue recognised, in excess of billing is classified as unbilled revenue; while billing in excess of revenue is classified as unearned revenue.

When the entity has a right to consideration for goods/services provided to date, however the billing for such goods/services and it's payment will be received after completion of specified activities, the Company recognises contract asset for the same.

Sale of ATM sites:

Revenue from sale of ATM sites is recognised based on customer acceptance received on completion of the ATM sites as per the terms of agreement entered with the customers.

i) Recognition of Dividend Income, Interest Income or Expense

For all debt instruments measured either at amortised cost, interest income is recorded using the effective interest rate ('EIR'). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash

Notes to Standalone Financial Statements
for the year ended March 31, 2024

flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the Standalone Statement of Profit and Loss.

Dividend income is recognised in Standalone Statement of Profit and Loss on the date on which the Company's right to receive payment is established.

j) Foreign currencies

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates, at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised as income or expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

k) Employee benefits

a) Short-Term Employee Benefits

Short- term employee benefits are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short – term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Provident fund and employees state insurance is a defined contribution scheme. The Company has no obligation other than the contribution payable to the provident fund and ESIC.

b) Defined Benefit Plans

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation done as per projected unit credit method, carried out by an independent actuary at the end of the year. The Company makes contributions to a fund administered and managed by an insurance company to fund the gratuity liability. Under this scheme, the obligation to pay gratuity remains with the Company, although insurance company administers the scheme.

Net interest is calculated by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. The rate is applied on net defined benefit liability / (asset) as determined at the start of the annual reporting period, taking into account any changes in the net defined liability / (asset) during the period as a result of contributions and benefit paid. The Company recognises the following changes in the net defined benefit obligation as an expense in the Standalone Statement of Profit and Loss - Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income.

Remeasurements comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Standalone Statement of Profit and Loss in subsequent periods.

c) Other long-term employee benefits – compensated absences

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. The Company presents the leave as a short-term provision in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Remeasurements, comprising of actuarial gains and losses, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Notes to Standalone Financial Statements
for the year ended March 31, 2024

l) Income Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the assets and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax is not recognsied for

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and at the time of the transaction affects neither the accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- Temporary differences related to the investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Deferred tax relating to items not recognised in the Standalone Statement of Profit and Loss is recognised either in OCI or in equity (where the item on which deferred tax is arising is recognised). Deferred tax on differences arising in business combination is recognised in Goodwill.

Notes to Standalone Financial Statements
for the year ended March 31, 2024

m) Earnings Per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting the cost recognised in the current year in relation to employee stock options schemes) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

n) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Standalone Statement of Profit and Loss net of any reimbursement, if any.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

o) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

Contingent Assets

Contingent asset is not recognised in Standalone financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised. Provisions, contingent liabilities and contingent assets are reviewed at each Balance sheet date.

p) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet and cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding book overdrafts and cash credits as they are considered an integral part of the Company's cash management.

q) Share Based Payment

Employees (including senior management) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and / or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The Standalone Statement of Profit and Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Notes to Standalone Financial Statements
for the year ended March 31, 2024

No expense is recognised for awards that do not ultimately vest because non-market performance and / or service conditions have not been met. When an award is cancelled by the Company or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Standalone Statement of Profit and Loss.

r) Fair Value Measurement

The Company measures standalone financial instruments, such as, investment in mutual funds unit at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as impairment testing of goodwill, non-current assets and fair value of employee stock options schemes. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

s) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

Initial recognition and measurement

On initial recognition, a financial asset is recognised at fair value. In case of Financial assets which are recognised at

Notes to Standalone Financial Statements

for the year ended March 31, 2024

fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset. However, trade receivables without a significant financing component is initially measured at a transaction price.

Financial assets are subsequently classified and measured at:

- Amortised cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVOCI)

Financial assets are not reclassified subsequent to their recognition, except during the period the Company changes its business model for managing financial assets.

However, an exception to this principle is financial assets in the form of trade receivables, that would be initially measured at transaction price (as defined in Ind AS 115) unless that contain a significant financing component determined in accordance with Ind AS 115 (or when an entity applies the practical expedient).

Consistency should be maintained between the accounting policy for initial measurement of trade receivables and the accounting policy for measurement of corresponding revenue.

Debt instruments at amortised cost

A debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Standalone Statement of Profit and Loss. The losses arising from impairment are recognised in the Standalone Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Standalone Statement of Profit and Loss.

Equity Investments

Investment in subsidiaries

Investment in subsidiaries is carried at cost in the standalone financial statements.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through Standalone Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Standalone Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Standalone Statement of Profit and Loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation .

Notes to Standalone Financial Statements
for the year ended March 31, 2024

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Standalone Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets which are not fair valued through profit or loss and equity instruments recognised in OCI. Loss allowance for trade receivables and insurance claims is measured at an amount equal to lifetime ECL at each reporting date, right from its initial recognition. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income or expense in the Standalone Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Standalone Statement of Profit and Loss.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

t) Business Combinations And Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses, if any. For the purpose of impairment testing, goodwill acquired in a business combination is from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained. Goodwill is tested for impairment annually as at March 31 and when circumstances indicate that the carrying value may be impaired.

Goodwill represents the excess of purchase consideration paid over the value of net assets of CMS Computers Limited taken over by the Company in accordance with the Scheme of Arrangement with the CMS Computers Limited and towards the business acquisition from Checkmate Services Private Limited. The Scheme was effective from April 1, 2008 and business from Checkmate was acquired with effect from April 30, 2018 respectively.

u) Rounding Of Amount:

Amount disclosed in the financial statements and notes have been rounded off to the nearest million as per the requirement of schedule III, unless otherwise stated.

v) Cash Dividend Distribution To Equity Holders Of The Parent

The Company recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and underlying assumptions are received on an ongoing basis. Revisions to estimates are recognised prospectively.

Significant judgement :

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

Leases

The application of Ind AS 116 requires company to make judgements and estimates that affect the measurement of right-of-use assets and liabilities. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to terminate

Notes to Standalone Financial Statements
for the year ended March 31, 2024

the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The Company has adopted average borrowing rate as it's incremental borrowing rate (IBR).

Estimates

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

Defined benefit plans

The cost of the defined benefit plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. Future salary increases are based on expected future inflation rates. The mortality rate is based on publicly available mortality tables for the country. Those mortality tables tend to change only at interval in response to demographic changes. Refer note 29 for sensitivity analysis in relation to this estimate.

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets.

Impairment of goodwill and investment in subsidiaries

Goodwill is tested for impairment at-least on an annual basis and when events that occur / changes in circumstances - indicate that the recoverable amount of the CGU is less than its carrying value.

Investment in subsidiaries is tested for impairment when events occurs that indicates that the recoverable amount is less than its carrying value.

The impairment indicators, the estimation of expected future cash flows and the determination of the fair value require the Management to make significant judgements, estimates and assumptions concerning the identification and validation of impairment indicators, fair value of assets, Revenue growth rates and operating margins used to calculate projected future cash flows, relevant risk-adjusted discount rate, future economic and market conditions, etc. For the details as to carrying amount of Goodwill and impairment testing (including related sensitivity analysis), refer note 34.

Share-based payments

The Company initially measures the cost of equity-settled transactions with employees using black scholes model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 39.

Claims receivable

It represents the claims made by the Company from Insurance companies and others on account of cash loss due to theft or loot etc. at the time of

Notes to Standalone Financial Statements
for the year ended March 31, 2024

replenishment of cash in ATM's and cash deposits and pick-ups.

The Company has recognised the claims in books, when the amount thereof can be measured reliably and ultimate collection is reasonably certain. The claims receivable balances are reviewed annually by the management and necessary doubtful provision percentage is calculated on the basis of Company's historical experiences and recoverability of amount from Insurance companies and others.

Expected Credit Loss

The Company has large number of individual customers. Management assesses the level of allowance for doubtful debts after taking into account ageing analysis and any other factor.

Other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

Recent pronouncement:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Material accounting policy information

The Company adopted disclosure of Accounting Policies (amendments of Ind AS 1) from 1 April, 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the standalone financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The application of materiality to disclosure of accounting policies, arising entities to provide useful, entity specific accounting policy information that users need to understand other information in the standalone financial statements.

Notes to Standalone Financial Statements
as at March 31, 2024

4 PROPERTY, PLANT AND EQUIPMENT

(₹ in million)

Particulars	Plant and machinery	Electrical installations	Furniture, fixtures and fittings	Vehicles	Office equipment	Leasehold Improvements	Computers, Servers and peripherals	Total
Gross block value as at March 31, 2022	**2,590.64**	**36.43**	**481.13**	**1,785.97**	**16.41**	**124.73**	**371.65**	**5,406.99**
Additions during the year	1,161.32	6.27	76.41	574.64	4.69	40.79	67.35	1,931.47
Deletions during the year	78.51	5.63	8.15	113.47	1.77	5.29	41.93	254.75
Gross block value as at March 31, 2023	**3,673.45**	**37.07**	**549.39**	**2,247.14**	**19.33**	**160.23**	**397.07**	**7,083.71**
Additions during the year	376.34	9.56	15.26	488.59	3.26	46.65	46.39	986.06
Deletions during the year	17.59	1.70	34.68	138.05	0.07	-	61.51	253.60
Gross block value as at March 31, 2024	**4,032.20**	**44.93**	**529.97**	**2,597.68**	**22.52**	**206.88**	**381.95**	**7,816.17**
Accumulated depreciation as at March 31, 2022	**545.08**	**24.60**	**130.42**	**1,092.66**	**8.13**	**45.32**	**327.37**	**2,173.60**
Depreciation for the year	466.10	5.10	71.38	152.68	2.98	19.54	32.39	750.17
Accumulated depreciation on disposals	75.38	5.32	6.37	113.45	1.58	2.47	41.92	246.49
Accumulated depreciation as at March 31, 2023	**935.80**	**24.38**	**195.43**	**1,131.89**	**9.53**	**62.39**	**317.84**	**2,677.28**
Depreciation for the year	559.20	5.61	73.73	224.27	3.40	25.37	42.88	934.46
Accumulated depreciation on disposals	15.69	1.70	25.66	138.05	0.07	-	61.48	242.66
Accumulated depreciation as at March 31, 2024	1,479.31	28.29	243.50	1,218.11	12.86	87.76	299.24	3,369.08
Net block as at March 31, 2023	2,737.65	12.69	353.96	1,115.25	9.80	97.84	79.23	4,406.43
Net block as at March 31, 2024	2,552.89	16.63	286.47	1,379.57	9.66	119.12	82.71	4,447.09

Capital work-in-progress

Capital work-in-progress as at March 31, 2024 is ₹ 144.03 million (March 31, 2023 ₹ 198.30 million). Additions made to capital work-in-progress during the year amount to ₹ 139.09 million (March 31, 2023 ₹ 197.08 million).

Asset amounting to ₹ 193.36 million (March 31, 2023 ₹ 421.97 million) has been capitalised during the year. (refer note 27)

The Company has amended the useful life of commercial vehicles in line with industry practice and based on guidelines issued by MHA-RBI, from 6 years to 7 years with effect from April 1, 2022 resulting in lower depreciation charge of ₹46.32 million in the year ended March 31, 2023.

Notes to Standalone Financial Statements
as at March 31, 2024

5 INTANGIBLE ASSETS

(₹ in million)

Particulars	Computer software	Customer Contract	Non-compete Fees	Total	Goodwill
Gross block value as at March 31, 2022	147.41	286.84	18.00	452.25	1,227.03
Additions during the year	27.93	-	-	27.93	-
Deletion during the year	0.32	-	-	0.32	-
Gross block value as at March 31, 2023	175.02	286.84	18.00	479.86	1,227.03
Additions during the year	27.99	-	-	27.99	
Deletion during the year	-	-	-	-	
Gross block value as at March 31, 2024	203.02	286.84	18.00	507.85	1,227.03
Accumulated amortisation as at March 31, 2022	118.67	193.45	11.75	323.87	-
Amortisation during the year	17.87	58.96	3.00	79.82	-
Deletion during the year	0.32	-	-	0.32	-
Accumulated amortisation as at March 31, 2023	136.22	252.41	14.75	403.37	-
Amortisation during the year	26.04	32.69	3.01	61.73	
Deletion during the year	-	-	-	-	
Accumulated amortisation as at March 31, 2024	162.26	285.09	17.76	465.10	-
Net block as at March 31, 2023	38.80	34.44	3.25	76.49	1,227.03
Net block as at March 31, 2024	40.75	1.75	0.24	42.75	1,227.03

Intangible assets under development

Intangible assets under development as at March 31, 2024 is ₹ 33.91 million (March 31, 2023 ₹ 0.24 million). Additions made to Intangible assets under development during the year amount to ₹ 33.91 million (March 31, 2023 ₹0.24 million).

Asset amounting to ₹ 0.24 million (March 31, 2023 ₹ 1.02 million) has been capitalised during the year. (refer note 27)

5(A) RIGHT-OF-USE ASSETS

(₹ in million)

Particulars	Leasehold Property	Total
Gross block value as at March 31, 2022	**2,301.27**	**2,301.27**
Additions during the year	525.70	525.70
Deletion during the year	133.49	133.49
Gross block value as at March 31, 2023	**2,693.48**	**2,693.48**
Additions during the year	231.54	231.54
Deletion during the year	170.34	170.34
Gross block value as at March 31, 2024	2,754.68	2,754.68
Accumulated depreciation as at March 31, 2022	**517.77**	**517.77**
Depreciation charge for the year	411.88	411.88
Deletion during the year	53.39	53.39
Accumulated depreciation as at March 31, 2023	**876.26**	**876.26**
Depreciation charge for the year	426.93	426.93
Deletion during the year	101.91	101.91
Accumulated depreciation as at March 31, 2024	1,201.28	1,201.28
Net block as at March 31, 2023	1,817.22	1,817.22
Net block as at March 31, 2024	1,553.40	1,553.40

Notes to Standalone Financial Statements
as at March 31, 2024

6 INVESTMENTS

(₹ in million)

	As at March 31, 2024	As at March 31, 2023
(a) Non-current investments		
Investments in equity shares of subsidiary companies (unquoted, fully paid up, valued at cost)		
950,000 (March 31, 2023 - 950,000) equity shares of ₹10 each of CMS Securitas Limited	28.61	28.51
132,500 (March 31, 2023 - 132,500) equity shares of ₹ 100 each of Securitrans India Private Limited	1,825.82	1,825.82
10,000 (March 31, 2023 - 10,000) equity shares of ₹ 10 each of Quality Logistics Services Private Limited	0.10	0.10
4,386,252 (March 31, 2023 - 4,386,252) equity shares of ₹ 10 each of Hemabh Technologies Private Limited	28.05	28.05
10,000 (March 31, 2023 - Nil) equity shares of ₹ 10 each of CMS Info Foundation	0.10	-
Investment in Quoted Non-convertible debentures (NCD) (at amortised cost)		
HDB/0% Premium 2024_Series2021	-	54.21
0% L&T Finance Limited	-	30.74
8% Mahindra & Mahindra Financial Services	50.00	-
6.70% Tata Capital Limited	100.00	-
8.1965% HDB Financial 2025	100.00	-
7.9585% M&M Financial Services Limited 26.09.2025	100.00	-
Note: (Redeemable debentures classified at amortised cost have interest rates ranging from 6.70% to 8.20% (March 31, 2023: 0%) and the remaining maturity period of these investments are more than one year.)		
	2,232.68	**1,967.43**
(b) Current Investments in units of quoted mutual fund (at fair value through profit and loss)		
Nil Units SBI Magnum Ultra Short duration fund (March 31, 2023: 39,079 Units)	-	201.59
4,036,435 Units Kotak Bond short-term Fund (March 31, 2023: Nil Units)	207.97	-
717,214 Units ICICI Prudential Money Market Fund (March 31, 2023: Nil Units)	250.47	-
423,187 Units ICICI Prudential Liquid Fund (March 31, 2023: 782,751 Units)	151.25	260.80
38,772 Units ICICI Prudential Overnight Fund (March 31, 2023: 82,762 Units)	50.04	100.02
Nil Units ICICI Prudential Ultra short term Fund (March 31, 2023: 3,168,999 Units)	-	80.18
72,021 Units Kotak liquid fund (March 31, 2023: 100,479 Units)	351.39	457.02
Nil Units Aditya Birla Sunlife Money Manager Fund (March 31, 2023: 633,609 Units)	-	200.34
111,937 Units Kotak Money Market Fund (March 31, 2023: 52,330 Units)	461.46	200.34
Nil Units Bharat Bond FOF (March 31,2023: 13,106,048 Units)	-	160.16
66,238 Units SBI Liquid fund (March 31, 2023: 117,837 Units)	250.33	415.18
505,705 Units ICICI Prudential GILT Fund (March 31, 2023: Nil Units)	50.21	-
2,235,065 Units ICICI Prudential Constant Maturity GILT Fund (March 31, 2023: Nil Units)	50.19	-
8,600,835 Units ICICI Prudential short term Fund (March 31, 2023: Nil Units)	456.87	-
3,347,976 SBI Short-Term Fund (March 31, 2023: Nil Units)	102.71	-
6,154,829 SBI Arbitrage opportunities Fund (March 31, 2023: Nil Units)	201.47	-
117,676 Units Kotak Overnite Fund (March 31, 2023: Nil Units)	150.30	-
106,991 Units Kotak Low duration Fund (March 31, 2023: Nil Units)	352.68	-
76,363 Units SBI Magnum Low duration Fund (March 31, 2023: Nil Units)	251.80	-
Investment in Quoted Non-convertible debentures (NCD) (at amortised cost)		
Axis Finance Limited PP- MLD Series 02/ 2020-21	-	34.97
L&T Finance Series A 2020-21	-	20.37
Tata Cleantech Capital NCD "A" 2020-21	-	59.29
6.4912% Tata Capital Ltd. NCD A Series 21-22	-	98.79
8.62% HDFC Credila Financial Services	17.00	-
6.7942% Tata Capital Limited 2024	100.00	-
5.72% Axis Finance Limited	50.00	-
7.77% Kotak Mahindra Investments Ltd.	100.00	-
0% L&T Finance MLD	50.00	-

Notes to Standalone Financial Statements
as at March 31, 2024

6 INVESTMENTS (CONTINUED)

(₹ in million)

	As at March 31, 2024	As at March 31, 2023
9.30% L&T Infra NCD	50.00	-
HDB/0% Premium 2024_Series2021	50.00	-
0% L&T Finance Limited	30.00	-
7.50% HDFC Ltd NCD Series W006	50.00	-
8.55% IIFCL Bond	10.00	-
8.60% NIIF Infrastructure Finance Ltd.	50.00	-
	3,896.14	**2,289.05**
Note: (Redeemable debentures classified as at amortised cost have interest rates of 0% to 9.30% (March 31, 2023: 6.49%) and maturity in one year.)		
Aggregate value of quoted and unquoated investments is as follows :		
Aggregate book value of quoted investments (NCD and Mutual funds)	4,246.14	2,373.99
Aggregate market value of quoted investments (NCD and Mutual funds)	4,260.82	2,374.45
Aggregate value of unquoted investments (Investment in subsidiaries)	1,882.68	1,882.48

7 LOANS

(₹ in million)

	As at March 31, 2024	As at March 31, 2023
Loans to subsidiaries (refer note below)	64.90	200.77
	64.90	**200.77**

Note : Loans to subsidiaries represents loans given to Hemabh Technology Private Limited, Securitrans India Private Limited and Quality Logistics Private Limited (wholly-owned subsidiaries) for working capital requirement which is repayable on demand.

8 OTHER FINANCIAL ASSETS

(₹ in million)

	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good				
Claims receivable	88.46	91.02	-	-
Less : Loss allowance	(37.58)	(42.34)	-	-
	50.87	**48.68**	**-**	-
Accrued interest	-	-	61.23	5.12
Balance in fixed deposit account with original maturity more than 12 months	207.35	-	-	-
Margin money deposits [refer note below]	95.46	126.87	-	-
Advances to employees	-	-	6.37	6.20
Security deposits	103.67	112.34	-	-
	457.35	**287.89**	**67.60**	**11.32**
Unsecured, considered doubtful				
Sundry deposits	2.33	2.33	-	-
Less: Impairment allowance for doubtful assets	(2.33)	(2.33)	-	-
	457.35	**287.89**	**67.60**	**11.32**

Notes:

Margin money deposits given as security

Margin money deposits with carrying amount of ₹ 73.22 million (March 31, 2023 : ₹71.35 million) are subject to first charge to secure the Bank guarantees / fixed deposits given by banks on behalf of the Company for pending court cases and deposits of ₹ 22.24 million (March 31, 2023 - ₹55.52 million) are subject to first charge to secure the facilities for Vaulting and ATM operations.

Notes to Standalone Financial Statements
as at March 31, 2024

9 INCOME TAXES

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
The income tax expense consists of the following:		
Current tax		
Current tax expense for current year	1,051.50	965.50
Tax expense pertaining to prior years	-	1.26
	1,051.50	**966.76**
Deferred tax		
Defered tax credit for current year	(4.99)	(70.02)
	(4.99)	**(70.02)**
	1,046.51	**896.74**

The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before taxes	4,588.69	3,650.81
Statutory income tax rate	25.17%	25.17%
Expected income tax expense	1,154.88	918.84
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Net effect of non-deductible allowances and exemptions	(108.37)	(23.36)
Tax pertaining to prior years	-	1.26
Total income tax expense	**1,046.51**	**896.74**

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2024 are as follows:

(₹ in million)

	Opening balance	Recognised in profit and loss	Recognised in / reclassified from other comprehensive income	Adjustments/ utilization	Closing balance
Deferred tax assets / (liabilities) in relation to					
Property, plant and equipment and intangible assets	(87.77)	15.35	-	-	(72.42)
Provision for employee benefit obligations	17.95	(4.18)	-	-	13.77
Receivables, financial assets at amortised cost	256.36	(1.00)	-	-	255.36
Lease liabilities and right-of-use assets	50.48	11.24	-	-	61.72
Others	11.24	(15.57)	-	-	(4.33)
	248.26	**5.83**	**-**	**-**	**254.11**

Gross deferred tax assets and liabilities are as follows:

(₹ in million)

As at March 31, 2024	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment and intangible assets		(72.42)	(72.42)
Provision for employee benefit obligations	13.77		13.77
Receivables, financial assets at amortised cost	255.36		255.36
Lease liabilities and right-of-use assets	61.72		61.72
Others	10.05	(14.37)	(4.33)
	340.89	(86.79)	254.11

Notes to Standalone Financial Statements
as at March 31, 2024

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2023 are as follows:

(₹ in million)

	Opening balance	Recognised in profit and loss	Recognised in / reclassified from other comprehensive income	Adjustments/ utilisation	Closing balance
Deferred tax assets / (liabilities) in relation to					
Property, plant and equipment and intangible assets	(65.96)	(21.81)	-	-	(87.77)
Provision for employee benefit obligations	22.12	(4.18)	-	-	17.95
Receivables,financial assets at amortised cost	176.38	79.98	-	-	256.36
Lease liabilities and right-of-use assets	30.28	20.21	-	-	50.48
Others	14.65	(3.41)	-	-	11.24
	177.47	**70.79**	**-**	**-**	**248.26**

Gross deferred tax assets and liabilities are as follows:

(₹ in million)

As at March 31, 2023	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment and intangible assets	-	(87.77)	(87.77)
Provision for employee benefit obligations	17.95	-	17.95
Receivables, financial assets at amortised cost	256.36	-	256.36
Lease liabilities and right-of-use assets	50.48	-	50.48
Others	11.24	-	11.24
	336.03	**(87.77)**	**248.26**

10 OTHER ASSETS

(₹ in million)

	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good				
Advances recoverable in kind or for value to be received	-	-	195.00	213.54
Capital advances	42.67	9.61	-	-
Receivable from Government Authorities	47.66	47.66	52.16	80.52
Prepaid expenses	96.52	54.88	161.54	110.13
Unbilled revenue (Contract assets) (Refer note 41)	-	-	145.36	243.79
	186.85	**112.15**	**554.06**	**647.98**

11 INVENTORIES

(₹ in million)

	As at March 31, 2024	As at March 31, 2023
Valued at lower of cost and net realisable value		
Trading goods (refer note below)	816.75	249.71
Stores and spares	451.85	491.99
	1,268.60	**741.70**

Note:

Trading stock includes stock at ATM sites which are not installed as at March 31, 2024 amounting to ₹ 243.71 million (March 31, 2023 - ₹ 27.62 million).

During the year, the Company recorded inventory write downs of ₹ 14.36 million (March 31, 2023 ₹ 29.63 million). These adjustments were included in consumption of stores and spares.

Notes to Standalone Financial Statements
as at March 31, 2024

12 TRADE RECEIVABLES

(₹ in million)

	As at March 31, 2024	As at March 31, 2023
Undisputed Trade receivable considered good - Unsecured (Refer note 37)	5,286.71	3,408.39
Disputed Trade receivable considered good - Unsecured (Refer note 37)	27.07	27.07
Unbilled revenue (Refer note 37)	2,312.51	2,061.39
Disputed Trade receivable - Credit impaired	27.07	27.07
Total trade receivable	**7,653.36**	**5,523.91**
Less: Loss allowance	(1,014.61)	(1,018.59)
Net trade receivables	**6,638.75**	**4,505.32**

During the year ended March 31, 2024 the Company has utilised loss allowance amounting to ₹ 797.95 million (March 31, 2023: ₹ 503.03 million) towards writeoff of doubtful debts.

13 CASH AND BANK BALANCES

(₹ in million)

	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
Balances with banks		
On current account	1,083.46	157.95
Deposits with original maturity of less than three months	350.00	-
Cheques on hand	-	320.26
Cash on hand	26.47	3.77
	1,459.93	**481.98**
Bank Balances other than above		
Funds held relating to cash management activity [refer note (i) below]	392.38	93.42
Deposits with original maturity for less than 12 months but more than three months	300.00	360.00
Margin money deposits [refer note (ii) below]	236.27	112.15
	928.65	**565.57**

i) Funds held relating to cash management activity, represents the net funds used by the Company for operating one of the services (Network Currency Management) of its cash management business. These include Bank balances and Cash in Vaults as reduced by the amounts payable to customers.

ii) Margin money deposits with carrying amount of ₹ 120.27 million (March 31, 2023 : ₹ 34.25 million) are subject to first charge to secure the Bank guarantees / fixed deposits given by banks on behalf of the Company for pending court cases and deposits of ₹ 116.00 million (March 31, 2023 - ₹ 77.90 million) are subject to first charge to secure the facilities for Vaulting and ATM operations.

14(A) EQUITY SHARE CAPITAL

(₹ in million)

	As at March 31, 2024	As at March 31, 2023
Authorised share capital		
173,000,000 (March 31, 2023 - 173,000,000) equity shares of ₹ 10 each	1,730.00	1,730.00
1,500,000 (March 31, 2023 - 1,500,000) 0.01% Optionally convertible cumulative redeemable preference shares of ₹ 100 each	150.00	150.00
	1,880.00	**1,880.00**
Issued, subscribed and fully paid up shares:		
162,762,291 (March 31, 2023- 154,400,078) equity shares of ₹ 10 each	1,627.62	1,544.00

Notes to Standalone Financial Statements
as at March 31, 2024

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

Equity shares	As at March 31, 2024		As at March 31, 2023	
	No of Shares	Amount	No of Shares	Amount
At the beginning of the year	154,400,078	1,544.00	153,152,747	1,531.53
Add : Shares issued on exercise of Employee Stock Options (Refer Note 38)	8,362,213	83.62	1,247,331	12.47
Outstanding at the end of the year	162,762,291	1,627.62	154,400,078	1,544.00

(i) Terms and rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is approved by the Board of Directors.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Details of shares held by the holding Company and other shareholders in the Company including details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No of Shares	% Shareholding	No of Shares	% Shareholding
Equity shares of ₹ 10 each fully paid up				
Sion Investment Holdings Pte. Limited	-	-	93,011,975	60.24%
WF Asian Reconnaissance Fund Limited	8,469,650	5.20%	8,843,973	5.73%
SBI Small Cap Fund	15,000,000	9.22%	8,286,487	5.37%
Rajiv Kaul	10,078,931	6.19%	3,395,000	1.29%
Total	**33,548,581**	**20.60%**	**110,142,435**	**71.33%**

(iii) Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2024 is as follows:

	Shares held by Promoters				% of change during the year
	As at March 31, 2024		As at March 31, 2023		
Promoter name	No. of shares	% of total shares	No. of shares	% of total shares	
Sion Investment Holdings Pte. Limited	-	-	**93,011,975**	**60.24%**	**-60.24%**

Disclosure of shareholding of promoters as at March 31, 2023 is as follows:

	Shares held by Promoters				% of change during the year
	As at March 31, 2023		As at March 31, 2022		
Promoter name	No. of shares	% of total shares	No. of shares	% of total shares	
Sion Investment Holdings Pte. Limited	93,011,975	60.24%	97,074,075	63.38%	-3.14%

Notes:

(i) As per records of the Company, including its register of share holders / members and other declarations received from shareholders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.

Notes to Standalone Financial Statements
as at March 31, 2024

(ii) Shares reserved for issue under options

Terms attached to stock option granted plan to employees under employee stock option schemes are described in note 38.

14(B) OTHER EQUITY

(₹ in million)

	As at March 31, 2024	As at March 31, 2023
A) SUMMARY OF OTHER EQUITY BALANCE		
(i) Securities premium		
Opening balance	945.99	765.28
Add: Securities premium on shares (stock options) issued during the year	1,070.48	144.99
Add: Transfer to Securities premium on exercise of options	259.55	35.72
Closing balance	**2,276.02**	**945.99**
(ii) Share based payment reserve (refer note 38)		
Opening balance	388.39	331.31
Add: Employee stock option compensation cost during the year	365.55	92.80
Less: Transfer to Securities premium on exercise of options	(259.55)	(35.72)
Closing balance	**494.39**	**388.39**
(iii) Capital redemption reserve		
Opening balance	150.00	150.00
Closing balance	**150.00**	**150.00**
(iv) Retained earnings		
Opening balance	11,938.73	9,340.98
Add: Net profit after tax transferred from Statement of Profit and Loss	3,542.18	2,754.07
Less: Dividend Paid	(1,135.15)	(154.06)
Add : Other comprehensive income (net of tax)	(2.49)	(2.26)
Closing balance	**14,343.27**	**11,938.73**
Total	**17,263.68**	**13,423.11**

B) Nature and purpose of reserves

(i) **Securities Premium :** The amount received in excess of face value of the equity shares is recognised in Securities Premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium, on exercise of the option. During the current year the Company has recognised securities premium of ₹ 259.55 million (March 31, 2023 ₹35.72 million) on account of transfer to securities premium on exercise of options.

(ii) **Share based payment reserves :** The fair value of the equity-settled share based payment transactions is recognised in Statement of Profit and Loss with corresponding credit to Share based payment reserves.

(iii) **Capital Redemption Reserve:** The Company has recognised Capital Redemption Reserve on buyback of equity shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the equity shares bought back.

(iv) **Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

15 TRADE PAYABLES

(₹ in million)

	As at March 31, 2024	As at March 31, 2023
Dues of micro enterprises and small enterprises (refer note 32)	59.56	47.14
Dues of creditors other than micro enterprises and small enterprises (refer note 32)	2,753.40	1,042.95
Accrued expenses	1,487.66	1,338.22
	4,300.62	**2,428.31**

Notes to Standalone Financial Statements
as at March 31, 2024

16 OTHER FINANCIAL LIABILITIES AND LEASE LIABILITIES

(₹ in million)

	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Capital creditors	-	-	28.26	85.62
Payable to employees	-	-	226.63	213.82
Others	-	-	18.68	26.71
	-	**-**	**273.57**	**326.15**
Lease liabilites (refer note 29)	1,277.34	1,519.43	521.29	498.38
	1,277.34	**1,519.43**	**521.29**	**498.38**

17 PROVISIONS

(₹ in million)

	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits (refer note 28)				
For gratuity	7.93	9.03	0.92	1.72
For compensated absences	29.53	22.84	9.29	8.25
	37.46	**31.87**	**10.21**	**9.97**

18 OTHER LIABILITIES

(₹ in million)

	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Statutory liabilities (including provident fund, tax deducted at source and others)	-	-	146.69	144.19
Unearned revenue (Contract liability) (Refer note 41)	81.54	6.14	84.24	35.01
	81.54	**6.14**	**230.93**	**179.20**

19 REVENUE FROM OPERATIONS (REFER NOTE 41)

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of ATM and ATM Sites	1,401.70	572.10
Sale of products	1,351.97	902.67
Sale of services	17,714.71	15,563.27
Revenue from operations	**20,468.38**	**17,038.04**
Details of products sold		
ATM Spares and related products	1,024.54	849.02
Cards	325.81	52.30
Others	1.62	1.35
	1,351.97	**902.67**
Details of services rendered		
Cash Management services	11,740.95	10,570.47
Managed Services	5,406.06	4,575.85
Card Personalization	567.70	416.95
	17,714.71	**15,563.27**

Notes to Standalone Financial Statements
for the year ended March 31, 2024

20 OTHER INCOME

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income	99.14	54.14
Dividend received from subsidiaries	499.79	150.12
Profit on sale of current investments	82.63	20.71
Net change in fair value of current investments measured at FVTPL	57.11	10.99
Net gain on disposal of property, plant and equipment	5.81	5.39
Net gain on lease modification	9.89	3.47
Foreign exchange gain (net)	3.33	-
Financial guarantee income	5.60	3.20
Other Income	14.93	19.75
	778.23	267.77
Interest income comprises of :		
Bank deposits	40.42	34.44
Debenture	44.53	0.59
Loan to subsidiary	9.70	15.90
Security deposits measured at amortised cost	4.49	3.21
	99.14	54.14

21 PURCHASE OF TRADED GOODS

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of traded goods	2,515.68	1,132.07
Details of purchases		
ATM and ATM Sites	1,853.03	453.66
ATM Spares and related products	538.98	628.17
Cards	123.67	50.24
	2,515.68	1,132.07

22 CHANGES IN INVENTORIES OF FINISHED GOODS (INCLUDING STOCK-IN-TRADE)

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the end of the year		
Traded goods	816.75	249.71
Inventories at the beginning of the year		
Traded goods	249.71	279.38
	(567.04)	29.67

23 EMPLOYEE BENEFITS EXPENSE

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and bonus	859.74	723.51
Contribution to provident and other funds (refer note 28)	37.58	32.41
Gratuity expense (refer note 28)	7.73	6.30
Share based payments to employees (refer note 38)	365.55	92.80
Staff welfare expenses	36.47	54.57
	1,307.07	909.59

Notes to Standalone Financial Statements
for the year ended March 31, 2024

24 FINANCE COSTS

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest others	-	8.51
Interest on lease liability	160.77	182.44
	160.77	190.95

25 OTHER EXPENSES

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Service and security charges	5,794.10	4,864.08
Conveyance and traveling expenses	915.15	805.10
Vehicle maintenance, hire and fuel cost	1,367.53	1,285.23
Consumption of stores and spares	878.51	448.64
Annual maintenance charges	426.38	436.95
Legal, professional and consultancy fees	262.81	254.97
Courier Freight and forwarding charges	211.90	187.65
Power and electricity charges	212.07	191.91
Insurance	197.64	186.77
Communication costs	137.26	118.85
Impairment allowance for bad and doubtful receivables and Bad debts written off	793.96	818.73
Cash disposal charges	226.60	211.93
Insurance claims receivables written off	16.51	29.10
Less : Out of the provision of earlier years	-	(17.23)
Impairment allowance for doubtful insurance claims	-	3.70
Cash lost in transit	77.28	41.39
Repairs and maintenance- Building	-	0.63
Repairs and maintenance- Plant and Machinery	-	0.19
Repairs and maintenance- Others	74.25	65.93
Payment to auditors:	-	-
Audit fees	12.10	11.42
Reimbursement of expenses	1.00	0.96
In other matters	-	1.34
Foreign exchange loss (net)	-	12.69
Expenditure on corporate social responsibility (refer note 35)	59.79	46.23
Miscellaneous expenses	153.47	143.69
	11,818.31	10,150.85

26 EARNINGS PER SHARE

The following reflects the profit and equity shares data used in the basic and diluted EPS computations:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Profit for the year attributable to equity shareholders (₹ in million)	3,542.18	2,754.07
Weighted average number of equity shares for Basic EPS	156,263,816	153,893,100
Weighted average number of equity shares on account of Employee stock option scheme for dilutive impact	6,058,937	5,330,382
Weighted average number of equity shares for diluted EPS	162,322,753	159,223,482
Earnings Per Share		
Basic (in ₹)	22.67	17.90
Diluted (in ₹)	21.82	17.30

Notes to Standalone Financial Statements
as at March 31, 2024

27 CAPITAL WORK-IN-PROGRESS

The following reflects the Capital work in progress movement during the years:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Opening CWIP as at	198.30	423.18
(+) Additions during the year	139.09	197.08
(-) Capitalised during the year	(193.36)	(421.97)
Closing CWIP as at	144.03	198.30

The following table represents CWIP ageing as at respective years:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Less than 1 year	139.27	197.07
1-2 Years	4.76	1.23
Total	**144.03**	**198.30**

There are no projects as at March 31, 2024 where the project timelines are overdue.

Intangible assets under development

The following reflects the intangible assets under development movement during the years:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Opening balance as at	0.24	1.02
(+) Additions during the year	33.91	0.24
(-) Capitalised during the year	(0.24)	(1.02)
Closing balance as at	33.91	0.24

The following table represents Intangible assets under development ageing as at respective years:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Less than 1 year	33.91	0.24
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	-	-
Total	**33.91**	**0.24**

28 EMPLOYEE BENEFITS

Defined contribution plan

During the year ended March 31, 2024 and March 31, 2023 the Company contributed the following amounts to defined contribution plans:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Provident fund and Employees Family Pension Scheme	37.44	32.22
Employees' State Insurance Corporation	0.15	0.19
Total	**37.58**	**32.41**

Defined benefit plan

As per "The Payment of Gratuity Act, 1972", the Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets gratuity on departure at 15 days' salary (last drawn salary) for each completed year of service. The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the Company carries out an acturial valuation based on the latest employee data from the certified actuary valuer.

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance

Notes to Standalone Financial Statements
for the year ended March 31, 2024

Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate in particular, the significant fall in interest rates, which could result in an increase in liability without corresponding increase in the asset.

The following tables summarises the components of employee benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the gratuity plan of the Company.

Statement of Profit and Loss-Net employee benefits expense (recognised in employee cost)

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Current service cost	6.93	5.86
Net interest cost	0.80	0.44
Expenses recognised in the Statement of Profit and Loss	**7.73**	**6.30**

Net employee benefits expense (recognised in Other comprehensive income)

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Actuarial losses / (gains)		
Change in demographic assumptions	-	(0.14)
Change in financial assumptions	1.05	0.80
Experience variance (i.e. actual experience vs assumptions)	2.56	1.37
Return on plan assets, excluding amount recognised in net interest expense	(0.27)	1.02
Components of defined benefit cost recognised in other comprehensive income	**3.33**	**3.05**

Balance Sheet

Details of net benefit obligation and fair value of plan assets:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Present value of obligation	42.96	37.78
Less : Fair value of plan asset	34.11	27.03
Net liability	**8.85**	**10.75**

Changes in present value of obligation

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Present value of obligation at the beginning	37.78	32.60
Current service cost	6.93	5.16
Interest expense	2.82	2.23
Re-measurement (gain) / loss arising from		
- change in demographic assumptions	-	(0.14)
- change in financial assumptions	1.05	0.80
- experience variance (i.e actual experience vs assumptions)	2.56	1.37
Benefits paid	(8.17)	(4.25)
Present value of obligation at the end	**42.96**	**37.78**

Changes in the fair value of plan asset are as follows:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Fair value of plan assets at the beginning	27.03	26.25
Investment income	2.02	1.80
Employer's contribution	7.50	-
Benefits Paid	(2.71)	-
Return on plan assets, excluding amount recognised in net interest expense	0.27	(1.02)
Fair value of plan assets as at the end	**34.11**	**27.03**

Notes to Standalone Financial Statements
for the year ended March 31, 2024

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Investment with insurer	100%	100%

Plan assets comprise the following :

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Equity	4.91	1.39
Debt	29.20	25.63
Total	**34.11**	**27.02**

The Company expects to contribute ₹5.00 million (March 31, 2023 - ₹5.00 million) to gratuity fund during the annual period beginning after balance sheet date.

The following is the maturity profile of the Company's defined benefit obligation

Particulars	March 31, 2024	March 31, 2023
Weighted average duration (based on discounted cashflows)	8 years	8 years

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Company's expected cash flows over the future period (on undiscounted basis)		
1 year	4.47	6.00
2 to 5 years	16.25	14.43
6 to 10 years	18.13	14.59
More than 10 years	49.05	40.58

The principal assumptions used in determining gratuity benefit obligations for the Company's plan are shown below:

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.15%	7.45%
Salary Growth rate	6%	6%
Employee Attrition rate		
- Less than 5 years of service	Up to 5 Year of service-26%	Up to 5 Year of service-26%
- More than 5 years of service	Above 5 Year of service-5%	Above 5 Year of service-5%

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

A quantitative sensitivity analysis for the significant assumptions on defined benefit obligation as at March 31, 2024 is as shown below:

Particulars	March 31, 2024		March 31, 2023	
	Decrease in assumption	Increase in assumption	Decrease in assumption	Increase in assumption
Discount Rate (-/+1%)	3.81	(3.33)	3.06	(2.68)
(% change compared to base due to sensitivity)	8.90%	-7.80%	8.10%	-7.10%
Salary Growth Rate (-/+1%) (Amount in ₹ million)	(3.06)	3.43	(2.39)	2.69
(% change compared to base due to sensitivity)	-7.10%	8.00%	-6.30%	7.10%
Attrition Rate (-/+ 50% of attrition rates) (Amount in ₹ million)	1.20	(1.05)	0.83	(0.72)
(% change compared to base due to sensitivity)	2.80%	-2.50%	2.20%	-1.90%
Mortality Rate (-/+10% of Mortality rates) (Amount in ₹ million)	(0.02)	0.02	(0.02)	0.02
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

Notes to Standalone Financial Statements
for the year ended March 31, 2024

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of reporting period.

Other long-term employee benefits

In accordance with its leave policy, the Company has provided for leave encashment on the basis of an actuarial valuation carried out by an independent actuary at the end of the year.

Amount of ₹ 13.50 million (March 31, 2023: ₹ 8.87 million) for Compensated absences is recognised as an expense and included in "Employee benefits expense" in the Statement of Profit and Loss. Accumulated non-current liability amount to ₹ 29.53 million (March 31, 2023: ₹ 22.84 million) and accumulated current liability amount to ₹ 9.29 million (March 31, 2023: ₹ 8.25 million).

29 LEASES

A. In case of assets taken on lease

The following is the break-up of current and non-current lease liabilities as at March 31, 2024 and March 31, 2023

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Current lease liabilities	521.29	498.38
Non-current lease liabilities	1,277.34	1,519.43
Total	**1,798.63**	**2,017.81**

The following is the movement in lease liabilities during the year ended March 31, 2024 and March 31, 2023

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Opening Balance	2,017.81	1,904.50
Additions	231.54	525.70
Finance cost accrued during the year	160.77	182.44
Deletions	(78.32)	(81.98)
Payment of lease liability	(533.17)	(512.85)
Closing Balance	**1,798.63**	**2,017.81**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024. on an undiscounted basis and March 31, 2023

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Less than one year	542.06	518.31
One to five years	1,482.05	1,721.13
More than five years	145.47	257.04
Total	**2,169.58**	**2,496.48**

The following is the movement in Right-of-use assets (which only consists of properties) as at March 31, 2024 and March 31,2023

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Opening Balance	1,817.22	1,783.50
Additions during the year	231.54	525.70
Deletions during the year	(170.34)	(133.49)
Depreciation during the year	(325.02)	(358.49)
Closing Balance	**1,553.40**	**1,817.22**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The weighted average incremental borrowing rate applied to lease liabilities is 8.5%.

Notes to Standalone Financial Statements
as at March 31, 2024

The outflow on account of lease liabilities for the year ended March 31, 2024 is ₹533.17 million.(March 31, 2023 is ₹512.85 million)

Company as lessor: lease receivables
The Company has entered into lease arrangement for its ATM management service business and these leases have terms ranging between five and seven years. Future minimum rentals receivable under non-cancellable operating leases are, as follows:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Within one year	1,207.40	1,127.03
After one year but not more than five years	3,195.34	3,732.51
More than five years	-	298.83
Total	**4,402.74**	**5,158.37**

During the year, the Company has recognised ₹ 1167.01 million (March 31, 2023 - ₹ 921.74 million) as income in relation to the above arrangements. These are reported under sale of services (refer note 19).

The following are the details of the fixed assets (consist of Plant and Machinery) given on lease:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Gross block value	1,737.01	1,569.85
Less: Accumulated Depreciation	(469.50)	(246.54)
Net block value	1,267.51	1,323.31
Depreciation for the year (including Adjustments of accumulated depreciation on deletion)	233.08	173.52

30 RELATED PARTY DISCLOSURES
Related party disclosures as required by notified Ind-AS 24 - "Related Party Disclosures" are given below:

a) Names of related parties and description of relationship:

Particulars	Name of the related party
1) Related party where controls exist	
Ultimate Holding Company	Baring Private Equity Asia GP VI Limited (up to June 13, 2023)
Parent of Holding Company	Baring Private Equity Asia VI Holdings Pte. Limited (upto June 13, 2023)
Entites under common control	Vault Co-Investment Vehicle L.P. (upto June 13, 2023)
Holding Company	Sion Investment Holdings Pte. Limited (upto June 13, 2023)
Subsidiary Companies and Trusts	CMS Securitas Limited
	Securitrans India Private Limited
	Quality Logistics Services Private Limited
	CMS Securitas Employees Welfare Trust
	CMS Marshall Limited (subsidiary of CMS Securitas Limited)
	Hemabh Technology Private Limited
	CMS Info Foundation (w.e.f March 29, 2023)
2) Promoter Company	Sion Investment Holdings Pte. Limited
3) Key management personnel	**Executive Vice Chairman,Whole Time Director and CEO**
	Mr. Rajiv Kaul
	Chief Financial Officer
	Mr. Pankaj Khandelwal
	Non-executive Independent Director
	Mr. Tapan Ray
	Mrs Manju Agarwal (upto March 1, 2024)
	Mrs Sayali Karanjkar
	Non-executive Directors
	Mr. Ashish Agrawal (upto March 1, 2024)
	Mr. Krzysztof Wieslaw Jamroz
	Ms. Shyamala Gopinath
	Mr. Jimmy Lachmandas Mahtani
	Company Secretary
	Mr. Praveen Soni (till September 30, 2023)
	Mr. Debashis Dey (w.e.f. October 25, 2023)

Notes to Standalone Financial Statements
for the year ended March 31, 2024

b) Summary of transactions with the above related parties are as follows:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Interest Income		
Securitrans India Private Limited	3.09	4.52
Quality Logistics Services Private Limited	2.40	-
Hemabh Technology Private Limited	4.21	11.38
Guarantee Income		
Securitrans India Private Limited	5.60	3.20
Dividend Received		
Securitrans India Private Limited	499.79	150.12
Remuneration to KMP (short-term employee benefits)		
Mr. Rajiv Kaul	130.08	113.59
Mr. Pankaj Khandelwal	20.38	18.75
Mr. Debashis Dey	3.24	-
Mr. Praveen Soni	2.53	2.73
Remuneration to Non-executive independent directors		
Mrs. Shyamala Gopinath	2.10	2.10
Mr. Krzysztof Wieslaw Jamroz	2.10	2.10
Mr. Tapan Ray	2.10	2.10
Mrs. Sayali Karanjkar	2.10	2.10
Mrs. Manju Agarwal	1.93	2.10
Employee stock option compensation cost		
Mr. Rajiv Kaul (refer note 38)	268.25	33.43
Mr. Pankaj Khandelwal	22.19	2.17
Sitting fees paid to Directors		
Mrs. Shyamala Gopinath	0.40	0.40
Mr. Tapan Ray	0.40	0.40
Mr. Krzysztof Wieslaw Jamroz	0.40	0.20
Mrs. Sayali Karanjkar	0.30	0.40
Mrs. Manju Agarwal	0.40	0.40
Service charges		
CMS Marshall Limited	1,089.05	866.26
CMS Securitas Limited	279.68	268.18
Securitrans India Private Limited	241.92	220.90
Hemabh Technology Private Limited	144.93	127.69
Sale of Services		
Hemabh Technology Private Limited	14.81	3.77
Reimbursement of Expenses		
Securitrans India Private Limited	78.28	-
Reimbursement of power and electricity and Maintenance		
CMS Securitas Limited	-	4.49

Notes to Standalone Financial Statements

for the year ended March 31, 2024

30 RELATED PARTY DISCLOSURES (Continued)

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Reimbursement of Insurance Charges		
Securitrans India Private Limited	25.62	25.56
Reimbursement of Other Expenses		
Securitrans India Private Limited	420.40	505.14
Quality Logistics Services Private Limited	-	3.51
Hemabh Technology Private Limited	5.48	3.91
Expenditure on corporate social responsibility		
CMS Info Foundation	1.30	-
Advance given during the year		
Quality Logistics Services Private Limited	-	0.97
Loans given during the year		
Securitrans India Private Limited	334.31	661.54
Hemabh Technology Private Limited	-	29.94
Quality Logistics Services Private Limited	62.51	-
Loans received back during the year		
Securitrans India Private Limited	440.35	562.50
Hemabh Technology Private Limited	98.19	79.79

c) Summary of balance receivable from / (payable to) the above related parties are as follows:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Remuneration payable to KMP		
Mr. Rajiv Kaul	(72.00)	(63.00)
Mr. Pankaj Khandelwal	(4.71)	(3.88)
Mr. Debashis Dey	(0.54)	-
Mr. Praveen Soni	(0.79)	(0.52)
Remuneration to non - executive independent directors		
Mr. Tapan Ray	(2.10)	(2.10)
Mr. Krzysztof Wieslaw Jamroz	(1.40)	(1.40)
Mrs. Sayali Karanjkar	(0.53)	(0.53)
Mrs. Manju Agarwal	(0.35)	(0.53)
Mrs. Shyamala Gopinath	(0.53)	(0.53)
Sitting fees Payable to Directors		
Mrs. Shyamala Gopinath	(0.10)	(0.20)
Mrs. Sayali Karanjkar	(0.10)	(0.20)
Mrs. Manju Agarwal	(0.20)	(0.20)
Mr. Krzysztof Wieslaw Jamroz	(0.10)	(0.20)
Mr. Tapan Ray	(0.10)	(0.10)
Balance outstanding payable at the year end		
CMS Securitas Limited	(75.35)	(75.59)
CMS Marshall Limited	(181.45)	(156.59)
Securitrans India Private Limited	(78.28)	-
Balance outstanding receivable at the year end		
Quality Logistics Services Private Limited	-	
Securitrans India Private Limited	-	5.12

Notes to Standalone Financial Statements

as at March 31, 2024

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
CMS Info Foundation	0.11	17.10
Loan outstanding receivable at the year end		
Hemabh Technology Private Limited	-	93.98
Securitrans India Private Limited	-	106.79
Quality Logistics Services Private Limited	64.90	-

Note:

(i) As the future liability for gratuity and compensated absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to KMP's is not ascertainable separately and, therefore not included above.

31 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

a) Contingent liabilities:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Claims against the Company not acknowledged as debt		
a) Disputed Customs matters*	47.88	92.65
b) Disputed VAT matters*	29.31	70.36
c) Disputed Excise matters*	69.03	69.03
d) Disputed CST matters *	0.26	2.14
e) Disputed GST matters *	4.64	0.84
f) Disputed Service tax matters *	-	2.74
g) Disputed Income tax matter	118.33	118.33
Guarantees given by the Company on behalf of the subsidiary**	800.00	800.00
	1,069.45	1,156.09

Notes:

*In relation to the matters of Custom duty, VAT, CST, Service Tax, GST, Income tax and excise matters listed above, the Company is contesting the demands from the respective Government Departments. The management believes that its position will likely be upheld in the appellate process. No expense has been accrued in the financial statements for these demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

** The Company has given Corporate guarantees in favour of lenders of Securitrans India Private Limited, a subsidiary of the Company amounting to ₹ 600 million (March 31,2023: ₹ 600 million) and ₹ 200 million (March 31, 2023: ₹ 200 million) in favour of one of the customers of subsidiary for overnight vaulting facilities.

b) The Company has no Capital commitment for the year ended March 31, 2024 (March 31, 2023 ` Nil).

c) There has been a Supreme Court (SC) judgment dated February 28, 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. The Company believes, based on legal opinion, that the liability if any, in practice would be from the date of order. Based on such opinion and pending clarification from PF authorities, the Company has recorded the cost prospectively from March 2019.

d) In addition to the above, there are certain civil claims against the Company. The Management is confident, that these will not have any material impact in the financial statements.

e) The Hon'ble National Company Law Tribunal ("NCLT") passed an order in the proceedings on December 5, 2023, wherein it has directed the board of directors of the Company to take employees of ATM & Cash Management Division of the Transferor Company, being CMS Securitas Limited, as their employees, provided such employees were working for ATM & Cash Management Division of the Transferor Company as on Appointed Date, and such employees also continued to remain in employment on the effective date of the Scheme approved by the Hon'ble Bombay High Court on October 25, 2010 and by the Hon'ble Delhi High Court on January 17, 2011. Management has appealed the order with the National Company Law Appellate Tribunal.

Notes to Standalone Financial Statements
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32 TRADE PAYABLES

a) Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

The Company has ₹ 59.58 million (March 31, 2023 ₹ 47.14 million) dues outstanding to the micro and small enterprises as defined in Micro, Small and Medium Enterprise Development Act, 2006. The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (as per the intimation received from vendors)	59.56	47.14
a) Principal and interest amount remaining unpaid	59.56	47.14
b) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
d) Interest accrued and remaining unpaid	-	-
e) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-

Trade payables ageing Schedule

(₹ in million)

Particulars	Unbilled Dues	Trade payables which are not due	Outstanding for the following periods from the due dates of payments as at March 31, 2024				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	0.21	37.81	3.34	3.00	3.16	47.52
Others	1,487.68	348.74	1,743.85	606.27	5.11	49.41	4,241.06
Disputed - MSME	-	-	0.09	0.46	11.50	-	12.04
Disputed - Others	-	-	-	-	-	-	-
	1,487.68	348.95	1,781.74	610.07	19.61	52.58	4,300.62

(₹ in million)

Particulars	Unbilled Dues	Trade payables which are not due	Outstanding for the following periods from the due dates of payments as at March 31, 2023				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 Years	
MSME	-	20.16	5.65	-	-	-	25.81
Others	1,338.22	484.48	465.71	15.19	20.89	56.67	2,381.18
Disputed - MSME	-	-	-	14.88	2.71	3.74	21.33
Disputed - Others	-	-	-	-	-	-	-
	1,338.22	504.65	471.36	30.07	23.61	60.42	2,428.32

33 IMPAIRMENT TEST OF GOODWILL

Impairment test of Goodwill

Goodwill acquired through business combinations have indefinite lives. Out of the total Goodwill of the Company, the material amount of goodwill is allocated to the following:

a) ₹ 1035.12 million (March 31, 2023: ₹ 1035.12 million), relates to the Cash Management division of the Company.

b) ₹ 185.94 million (March 31, 2023: ₹ 185.94 million), relates to the acquisition of door step banking business from Checkmate Services Private Limited; also a part of Cash management business.

Notes to Standalone Financial Statements
for the year ended March 31, 2024

The Company performed its annual impairment test for years ended March 31, 2024 and March 31,2023 respectively . The Company considers the relationship between its value in use and its carrying value, among other factors, when reviewing the indicators of impairment.

The recoverable amount of the goodwill is determined based on a value in use ('VIU') calculated using cash flow projections from financial budgets approved by management covering a period of five years and the terminal value (after considering the relevant long-term growth rate) at the end of the said forecast periods. The Company has extrapolated cash flows beyond 5 years using a growth rate of 5% for the year ended March 31, 2024 (March 31, 2023: 5%). The pre-tax discount rate applied to the cash flow projections for impairment testing is 13.4% for March 31, 2024 (March 31, 2023: 13.4%).

The said cash flow projections are based on the senior management past experience as well as expected trends for the future periods. The calculation of weighted average cost of capital (WACC) is based on the Company's estimated capital structure as relevant and attributable to the CGU. The WACC is also adjusted for specific risks, market risks and premium, and other inherent risks associated with similar type of investments to arrive at an approximation of the WACC of a comparable market participant. The said WACC being pre-tax discount rates reflecting specific risks relating to the relevant CGUs, are then applied to the above-mentioned projections of the estimated future cash flows to arrive at the discounted cash flows.

The key assumptions used in the determination of VIU are the revenue annual growth rates and the EBITDA growth rate.

Based on the above assumptions and analysis, no impairment was identified as at March 31, 2024. Further, on the analysis of the said calculation's sensitivity to a reasonably possible change in any of the above-mentioned key assumptions / parameters on which the Management has based determination of the CGU's recoverable amount, there are no scenarios identified by the Management wherein the carrying value could exceed its recoverable amount.

34 DETAILS OF ONGOING CSR PROJECTS UNDER SECTION 135(6) OF THE ACT

i) Details of corporate social responsibility expenditure

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
1. Amount required to be spent by the Company during the year	59.79	47.77
2. Amount approved by the Board	59.79	47.77
3. Amount of expenditure incurred on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	41.11	39.05
4. Shortfall at the end of the year	18.68	8.71
5. Total of previous years shortfall	-	-
6. Reason for shortfall	Due to Project spam being 2-3 years	Due to Project spam being 2-3 years
7. Nature of CSR activities	Livelihood support, Enviournment and Health care, Integrated village development, Relief Fund	Livelihood support, Enviournment and Health care, Integrated village development, Relief Fund
8. Details of related party transactions in relation to CSR expenditure as per relevant Indian Accounting Standard:	-	-
Contribution to CMS Info Foundation in relation to CSR expenditure	1.30	-

Notes to Standalone Financial Statements

for the year ended March 31, 2024

ii) Details of unspent obligations

Balance as at April 1, 2023		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2024	
With the Company	In Separate CSR Unspent Account		From the Company's Bank Account	From Separate CSR Unspent Account	With the Company	In Separate CSR Unspent Account
-	8.71	59.79	41.11	8.71	-	18.68

Balance as at April 1, 2022		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2023	
With the Company	In Separate CSR Unspent Account		From the Company's Bank Account	From Separate CSR Unspent Account	With the Company	In Separate CSR Unspent Account
1.64	-	47.77	39.05	-	-	8.71

35 FOREIGN CURRENCY EXPOSURE

The Company does not use forward exchange contracts to hedge its foreign exchange exposure relating to the underlying transactions in accordance with its forex policy. The Company does not use foreign exchange forward contracts for trading or speculation purposes.

Unhedge Foreign Currency exposure outstanding as at March 31, 2024 and March 31, 2023 is:

Currency Type	March 31, 2024		March 31, 2023	
	Amount in foreign currency	Amount in ₹ million	Amount in foreign currency	Amount in ₹ milllion
USD	$ 203,914.00	17.01	$ 707,470.38	58.10

36 FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Company's financial assets and financial liabilities.

Quantitative disclosures fair value measurement hierarchy as at March 31, 2024

Particulars	March 31, 2024				
	Cost	Fair value	Level 1	Level 2	Level 3
Assets measured at fair value					
FVTPL financial investments					
Investment in quoted mutual funds units	3,282.06	3,339.17	-	3,339.17	-

Particulars	March 31, 2023				
	Cost	Fair value	Level 1	Level 2	Level 3
Assets measured at fair value					
FVTPL financial investments					
Investment in unquoted mutual fund units	2,064.63	2,075.62	-	2,075.62	-

The fair value for the investments is arrived at with reference to the Net asset value (NAV) of the mutual fund units as disclosed by the Asset Management Company.

The management assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, and other current financial assets and financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further the difference between carrying amount and fair value of insurance receivables, deposit measured at amortised cost is not significantly different in each of the years presented.

Notes to Standalone Financial Statements

as at March 31, 2024

Break up of financial assets carried at amortised cost

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Trade receivables	4,326.24	2,443.93
Unbilled revenue	2,312.51	2,061.39
Cash and cash equivalents	1,459.93	481.98
Other bank balances	928.65	565.57
Other financial assets	524.95	299.21
Loans	64.90	200.77
Investment at amortised cost	907.00	298.37
Total financial assets carried at amortised cost	**10,524.18**	**6,351.22**

Break up of financial liabilities carried at amortised cost

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Trade payables	4,300.62	2,428.30
Lease liabilities	1,798.63	2,017.81
Other financial liabilities	273.57	326.15
Total financial liabilities carried at amortised cost	**6,372.82**	**4,772.26**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company has exposure to the following risks arising from financial instruments :-

- credit risk;
- liquidity risk; and
- market risk

(i) Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to effect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to audit committee.

(ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its obligations under a financial instrument or customer contract. The carrying amount of financial assets and contract assets represents the maximum credit exposure. The Company is exposed to credit risk from its operating activities (primarily trade receivables and claims receivables).

Notes to Standalone Financial Statements
as at March 31, 2024

Trade receivables

Customer credit risk is managed by the Company's established policy. To minimise the risk from the counter parties the Company enters into financial transaction with counter parties who are major names in the industry.

A significant risk in respect of receivables is related to the default risk and credit risk. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous companies and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of receivables disclosed in Note 12 . The Company does not hold collateral as security.

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Trade receivables concentration of credit risk with respect to trade receivables is limited, due to The Company's customer base being large and diverse.

The following table provides information about the exposure to credit risk from customers as at March 31, 2024

Particulars	Unbilled Revenue	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 Years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	2,312.51	2,407.44	1,772.08	859.86	190.74	47.79	8.80	7,599.22
(ii) Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables -credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	11.34	15.73	27.07
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	11.34	15.73	27.07
Total	2,312.51	2,407.44	1,772.08	859.86	190.74	70.46	40.26	7,653.36
Less : Loss allowance								(1,014.61)
Total Trade Receivables								**6,638.75**

The following table provides information about the exposure to credit risk from customers as at March 31, 2023

Particulars	Unbilled Revenue	Not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	2,061.39	1,497.54	1,123.93	525.08	111.92	61.19	88.73	5,469.77
(ii) Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables -credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	10.25	15.65	1.17	27.07
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	10.25	15.65	1.17	27.07
Total	2,061.39	1,497.54	1,123.93	525.08	132.42	92.48	91.07	5,523.91
Less : Loss allowance								(1,018.59)
Total Trade Receivable								**4,505.32**

Notes to Standalone Financial Statements
for the year ended March 31, 2024

37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Movement in allowance of impairment in respect of trade receivables and contract assets during the year was as below :

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Opening Balance	1,018.59	700.80
Amounts written off (Net)	(256.49)	(410.85)
Provision writen back	-	2.09
Net re-measurement of loss allowances	252.50	726.55
Closing Balance	**1,014.60**	**1,018.59**

Other receivables

Security deposits are interest free deposits given by the Company for properties taken on Lease. Provision is taken on a case to case basis depending on circumstances with respect to non-recoverability of the amount. The gross carrying amount of Security deposit is ₹ 106.00 million as at March 31 2024 , ₹ 114.67 million as at March 31, 2023.

Other financial asset includes claims receivable, and other receivables (refer note 8). Provision is made where there is significant increase in credit risk of the asset.

Movement in allowance of impairment in respect of other receivables (including insurance claims) during the year was as below :

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Opening Balance	44.67	58.20
Amounts written back	(4.76)	(17.23)
Net re-measurement of loss allowances	-	3.70
Closing Balance	**39.91**	**44.67**

(iii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The Company has sufficient current assets comprising of Trade Receivables, Cash and Cash Equivalents, Investment in Mutual Funds, Other Bank Balances (other than restricted balances), Loans, Inventories and Other Current Financial Assets to manage the liquidity risk, if any in relation to current financial liabilities.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit, working capital , demand loan and bank loans. The Company has access to a sufficient variety of sources of funding. The table below provides details regarding the contractual maturities of significant financial liabilities as at year end.

(₹ in million)

Particulars	March 31, 2024				
	On demand	Within 12 months	1 to 5 years	Above 5 years	Total
Trade and other payables	-	4,300.62	-	-	4,300.62
Lease liabilities (undiscounted)	-	542.06	1,482.05	145.47	2,169.58
Other financial liabilities	-	273.57	-	-	273.57
Total	**-**	**5,116.25**	**1,482.05**	**145.47**	**6,743.77**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(₹ in million)

Particulars	March 31, 2023				
	On demand	Within 12 months	1 to 5 years	Above 5 years	Total
Trade and other payables	-	2,314.23	114.09	-	2,428.32
Lease liabilities	-	498.38	1,721.13	257.04	2,476.55
Other financial liabilities	-	326.15	-	-	326.15
Total	**-**	**3,138.76**	**1,835.23**	**257.04**	**5,231.02**

(iv) Market Risk

Market risk is the risk that's changes in the market prices - eg. Foreign exchange rates, interest rates and equity prices, will effect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the returns.

a) Currency Risk

Currency risk is not material, as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Financial Liabilities		
Variable rate instruments	-	-
Fixed rate instruments	-	-
Financial Assets		
Variable rate instruments	3,339.17	2,075.62
Fixed rate instruments	-	-

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. The Company does not have any loans outstanding as at March 31, 2024. It has taken adequate credit facilities from various banks to maintain its liquidity.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023

38 EMPLOYEE STOCK OPTIONS SCHEMES

The Company has granted stock options to its employees through its equity settled schemes referred to as Employee Stock Option Scheme 2023, Employee Stock Option Scheme 2016, CEO Stock Option Scheme 2016 and Management Scheme 2016. Following are details of the scheme:

Particulars	Employee Scheme 2023	Employee Scheme 2016	CEO Scheme	Management Scheme
Number of options reserved under the scheme	10,075,000	4,604,444	9,866,667	2,519,366
Number of option granted under the scheme	8,000,000	4,603,507	9,866,667	2,519,366

Following is the vesting period for ESOP granted during the year:

Vesting Period	Employee Scheme 2023		Employee Scheme 2016		CEO Scheme Time Based	Management Scheme Time Based
	Time Based	Performance Based	Time Based	Performance Based		
12 months from date of grant	12.50%	12.50%	25%	0.00%	100%	100%
21 months from date of grant	12.50%	12.50%	8.33%	16.67%	-	-
33 months from date of grant	12.50%	12.50%	8.33%	16.67%	-	-
45 months from date of grant	12.50%	12.50%	8.34%	16.66%	-	-

For options granted under Employee scheme 2016, 21st month onward vesting will be based on Company / business unit performance for the second financial year after the financial year in which the options have been granted and so on. The performance condition are assessed as non-market conditions.

For options granted under Employee scheme 2023, 12th month onward vesting will be based on Company / business unit performance for all financial year. The performance condition are assessed as non-market conditions.

The vested options can be exercised within 2 year of the date such options are vested. In any other liquidity event, the vested options can be exercised within such period as may be prescribed by the Board in this regard.

The following table summarises the movement in stock options granted during the year:

Particulars	March 31, 2024				March 31, 2023		
	Employee scheme 2023	Employee scheme 2016	CEO Scheme	Management scheme	Employee scheme	CEO Scheme	Management scheme
Outstanding at the beginning of the year	-	2,203,429	5,866,667	2,519,366	3,169,160	5,866,667	2,519,366
Granted during the year (no. of options)	8,000,000	-	-	-	355,000	-	-
Forfeited / cancelled during the year	(120,000)	(112,500)	-	-	(73,400)	-	-
Exercised during the year	-	(1,076,180)	(4,766,667)	(2,519,366)	(1,247,331)	-	-
Expired during the year	-	-	-	-	-	-	-
Outstanding at the end of the year	**7,880,000**	**1,014,749**	**1,100,000**	**-**	**2,203,429**	**5,866,667**	**2,519,366**
Weighted average exersice price of Option							
Outstanding at the beginning of the year	-	166	123	165	140	123	165
Granted during the year	304	-	-	-	250	-	-
Outstanding at the end of the year	304	190	123	-	166	123	165
Weighted average price of the shares exercised during the year	-	141	123	165	125	-	-
Weighted average remaining contractual life (in years)	1.50	0.68	-	-	0.80	-	0.45

Notes to Standalone Financial Statements
for the year ended March 31, 2024

The Company has used Black Scholes option pricing model. The following tables list the inputs to the models used for Employee plans, CEO plans and Management plans

Particulars	March 31, 2024	March 31, 2023
Dividend yield (%)	1.50%	0%
Expected volatility (%)	28% - 30%	25% - 32%
Risk-free interest rate (%)	6.7% - 7.3%	4%
Expected life of share options (years)	3.7 years	3.7 years
Weighted average fair value per share on grant date (in ₹)	304	250

The expected life of the share options is based on current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome. The historical volatility is based on price volatility of listed companies in same or similar industry. The Company has allotted employee stock options to some of its employees through its Employee Stock Option Scheme. During the year 232,500 (year ended March 31, 2023; 73,400) stock options has expired and lapsed on account of employees left the organization. During the current year, reversal on account of such expired options is recognised in the profit and loss account aggregating to ₹8.07 million. The Company has recognised ₹ 365.55 million, (March 31, 2023: ₹ 92.80 million) as employee benefit expense in relation to all the active options outstanding as at March 31, 2024.

The CEO ESOP 2016, Employee ESOP 2016 and Management ESOP 2016 scheme had been modified, in which exercise period was extended by 1 (One) year as approved by the shareholders on December 28, 2022. This had resulted in an additional ESOP cost of ₹ 35.25 million for the year ended March 31, 2023.

39 OPERATING SEGMENTS

Since the segment information as required by Ind AS 108-Operating Segments is provided in consolidated financial statements, the same is not provided in the Company's standalone financial statements.

40 LIST OF ENTITIES CONTROLLED BY THE COMPANY ARE:

Name of Company / trust	Country of incorporation	Percentage of ownership interest and voting rights as at	
		March 31, 2024	March 31, 2023
Securitrans India Private Limited ('SIPL')	India	100	100
CMS Securitas Limited ('CSL')	India	100	100
CMS Marshall Limited ('CML')	India	100	100
Quality Logistics Services Private Limited	India	100	100
CMS Securitas Employees Welfare Trust	India	100	100
Hemabh Technology Private Limited	India	100	100
CMS Info Foundation	India	100	100

The investments in the subsidiaries are accounted for at cost in the standalone financial statements.

41 IND AS 115 REVENUE FROM CONTRACTS WITH CUSTOMERS

Sale of Product

The Company applies practical expedient in paragraph 121 of Ind AS 115 for all contract entered for sale of product and does not disclose information about remaining performance obligation that have original expected duration of one year or less.

Revenue for services

The Company applies practical expedient in paragraph 121 of Ind AS 115 for all contract entered for revenue from services, whereby it has right to receive consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date. Hence the Company does not disclose information of remaining performance obligation of such contracts.

Notes to Standalone Financial Statements
for the year ended March 31, 2024

Disaggregation of revenue from contract with customers

Revenue from sale of goods is recognised at point in time when control of the products being sold is transferred to our customer and Revenue from services is recognised over time as and when services are rendered. Revenue from contracts with customers is disaggregated by primary business units as given in the note 19.

Reconciliation of revenue recognised with contracted price

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Revenue as per Contracted Price	20,624.95	17,137.45
Reduction (Rebate/discount)	(156.57)	(99.41)
Revenue recognised as per the statement of profit and loss	**20,468.38**	**17,038.04**

Movement of Deferred Contract Liability (unearned revenue)

The deferred contract liability relates to the consideration received/receivable from customers, for which services have not been provided and revenue is deferred for the year.

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Opening Balance	41.15	56.19
i) Additions during the year (net)	165.78	41.15
ii) Reversal during the year	-	-
ii) Income recognised during the year	(41.15)	(56.19)
Closing Balance	**165.78**	**41.15**

Revenue expected to be recognised in the future from Deferred Contract Liability:

(₹ in million)

Time Band	March 31, 2024	March 31, 2023
within 1 years	84.24	35.01
1 - 2 Year	81.54	6.14
Total	**165.78**	**41.15**

There is no obligation for returns, refunds and other similar obligation as at March 31, 2024 and March 31, 2023

Revenue for the peiod ended March 31, 2024 includes revenue from two customer of the Company amounting to ₹ 7130.97 million (March 31, 2023 ₹ 6,317.50 million).

42 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

43 UNDISCLOSED INCOME

a) The Company has not any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

b) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

44 DISCLOSURE REQUIRED FOR QUARTERLY STATEMENT SUBMITTED WITH BANKS

For borrowings from banks or financial institutions on the basis of security of current assets, quarterly returns or quarterly statements of current assets filed by the Company with banks or financial institutions during the year ended March 31, 2024 and the year ended March 31, 2023 are in agreement with the books of account.

45 DIVIDEND

Dividends declared and paid during the year ended March 31, 2024 include an amount of ₹4.75 per equity share towards final dividend for the year ended March 31, 2023 and an amount of ₹2.50 (PY : March 31, 2023 ₹ 1.00) per equity share towards interim dividends (including special dividend) for the year ended March 31, 2024.

Notes to Standalone Financial Statements
for the year ended March 31, 2024

Dividends declared by the Company are based on the profit available for distribution. On May 15, 2024, the Board of Directors of the Company have proposed a final dividend of ₹3.25 per share in respect of the year ended March 31, 2024 subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 528.97 million and hence is not recognised as a liability as at the Balance Sheet date.

46 DISCLOSURE REQUIRED UNDER RULE 11(e) OF THE COMPANIES RULES, 2014

A) The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Group or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B) The Company has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

47 DISCLOSURE PURSUANT TO SECTION 186 OF THE COMPANIES ACT, 2013

Sr. No.	Nature of Transaction (loans given/ investment made/ guarantee given/ security provided)	Purpose for which the loan/ guarantee/ security is proposed to be utilised by the recipient	March 31, 2024		March 31, 2023	
			Maximum balance during the year	Balance outstanding	Maximum balance during the year	Balance outstanding
	Loans and Advances :					
1	Securitrans India Private Limited	utilised for working capital	188.03	-	123.89	123.89
2	Hemabh Technology Private Limited	utilised for working capital	93.98	-	149.83	93.98
3	Quality Logistics Service Private Limited	utilised for working capital	64.90	64.90	5.12	5.12

48 STRUCK OF COMPANIES

Relationship with Struck off Companies

Sr. No.	Nature of Struck off Company	Nature of transactions	Transactions during the year	Balance outstanding as at March 31,2024	Relationship with the Struck off Company
1	INTEGRA MICRO SYSTEMS PVT. LTD.	Payable	0.12	-	Vendor
2	NIPRO INFOTECH PVT. LTD.	Payable	0.01	-	Vendor

Notes to Standalone Financial Statements
for the year ended March 31, 2024

49 RATIO ANALYSIS

Sr. No.	Particulars	Numerator	Denominator	March 31, 2024	March 31, 2023	% Variance	Reason for variance (more than 25%)
(a)	Current ratio (in times) Current Ratio = Current Assets / Current Liabilities	14,878.63	5,336.62	2.79	2.74	1.62%	
(b)	Return on Equity Return on Equity = Profit after tax / Average Net Worth	3,542.18	16,929.20	21%	20%	2.89%	
(c)	Inventory turnover (in times) Inventory turnover = Income from operations / Average Inventory	20,468.38	1,005.15	20.36	24.86	-18.07%	
(d)	Trade Receivable turnover ratio (in times) Trade Receivable turnover = Income from operations / Average Trade Receivable	20,468.38	5,572.04	3.67	3.88	-5.40%	
(e)	Trade Payable turnover ratio (in times) Trade Payable turnover = Credit Purchase / Average Trade Payable	2,515.68	899.28	2.80	3.31	-15.36%	
(f)	Net Capital Turnover Ratio Net Capital turnover = Income from operations / Average Working Capital Employed (Current Assets - Current Liabilities)	20,468.38	6,001.68	3.41	2.84	20.13%	-
(g)	Net Profit margin (in %) Net Profit margin = Profit after tax / Income from operations	3,542.18	20,468.38	17%	16%	7.06%	-
(h)	Return on Capital Employed Return on Capital Employed = Earning before interest and taxes / Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	4,650.32	16,034.21	29%	32%	-9.22%	-
(i)	Return on Investment Return on Investment = Income generated from invested fund / Funds invested in treasury investments	238.88	4,204.13	6%	5%	11.86%	

50 SUBSEQUENT EVENTS

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

51 ADDITIONAL DISCLOSURE REQUIRED BY SCHEDULE III (AMENDMENTS DATED MARCH 24, 2021) TO THE COMPANIES ACT, 2013

No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

a) Crypto Currency or Virtual Currency

b) Benami Property held under Prohibition of Benami Property Transaction Act, 1988 and rules made thereunder

c) Registration of charges or satisfaction with Registrar of Companies

d) Relating to borrowed funds:

  i. Wilful defaulter

  ii. Utilisation of borrowed funds and share premium

  iii. Borrowings obtained on the basis of security of current assets

  iv. Discrepancy in utilisation of borrowings

  v. Current maturity of long-term borrowings

e) Merger / amalgamation / reconstruction, etc.

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Glenn D'souza
Partner
Membership No.: 112554

Place : Mumbai
Date : 15 May 2024

For and on behalf of the Board of Directors of
CMS Info Systems Limited
CIN: L45200MH2008PLC180479

Tapan Ray
Director
DIN: 00728682
Place : Gandhinagar

Rajiv Kaul
Executive Vice-chairman, Whole-time Director and CEO
DIN: 02581313
Place : Mumbai

Pankaj Khandelwal
Chief Financial Officer
Place : Mumbai

Debashis Dey
Company Secretary
Place : Mumbai

Independent Auditor's Report

To the Members of CMS Info Systems Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of CMS Info Systems Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of report of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of report of other auditors on seperate financial statements of components audited by them were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition See Note 2 (i) and 41 to consolidated financial statements	
THE KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED IN OUR AUDIT
Revenue from operations for the year is ₹ 22,646.77 millions (FY 23: ₹ 19,147.30 millions). Refer Note 2 (i) of accounting policy and Note 18 and Note 41 in Consolidated financial statements. The Group's revenue is derived primarily from sale of products (ATMs, ATM sites and related products) which comprise of ₹ 2,753.68 millions (FY 23: ₹ 1,474.76 millions) and rendering of services i.e., ATM and cash management services, managed services, annual maintenance service, etc., which comprise of ₹ 19,893.09 millions (FY 23: ₹ 17,672.53 millions). We identified revenue recognition as a key audit matter since: • there is an element of inherent risk around accuracy and completeness of revenue and there is a presumed fraud risk around existence of revenue recognised. • overstatement of revenue is considered as a significant audit risk as it is a key performance indicator and it could create an incentive for higher revenue to be recognised. • there is significant audit effort, due to volume of transactions, to ensure that unbilled revenue is recorded based on contractual terms and the services are rendered.	In view of the significance of the matter we applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence: • Assessed the appropriateness of the Group's accounting policies in respect of revenue recognition by comparing with applicable Indian Accounting Standards. • Evaluated the design and tested the implementation and operating effectiveness of internal financial controls by testing a randomly selected sample of transactions. • Evaluated the design, implementation and operating effectiveness of Group's general IT controls, and application controls over the Group's IT systems. We have also tested manual mitigating controls as appropriate. • Performed substantive testing by comparing statistically selected samples of revenue transactions recorded during the year and verified/matched the parameters used in the computation with the relevant source documents. • Examined journal entries posted to revenue to identify unusual or irregular items based on certain high-risk criteria. • Checked completeness and accuracy of the data used by the Group for revenue recognition by performing specific cut off procedures on revenue. On a sample basis, we evaluated the revenue being recognised in the correct accounting period. • For statistically selected sample of unbilled transactions, tested unbilled revenues with subsequent invoicing/other underlying documents to verify services rendered. • Evaluated adequacy of disclosures given in Note 41 to the consolidated financial statements

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditors report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Director's/ Trustee's Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies and Trustees are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company/Trust and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors and Trustees of the companies/Trust included in the Group are responsible for assessing the ability of each company/Trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors/ Trustees either intends to liquidate the Company/ Trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors and Trustees of the companies/Trust included in the Group are responsible for overseeing the financial reporting process of each company/Trust.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a) We did not audit the financial statements of seven subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of ₹ 2,520.98 millions as at 31 March 2024, total revenues (before consolidation adjustments) of ₹ 3,873.78 millions and net cash inflows (before consolidation adjustments) amounting to ₹ 48.87 millions for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of the other auditors.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the report of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of such subsidiaries, as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the matters stated in the paragraph 2 (B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and that the daily back-up has not been maintained for one accounting software used for preparing billing information (which forms part of the 'books of account and other relevant books and papers in electronic mode') on servers physically located in India.

   c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Holding Company as on 1 April 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

   f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B (f) below on reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014.

   g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:

   a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer Note 31 to the consolidated financial statements.

   b) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.

   c) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2024.

   d) (i) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the Note 43 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (ii) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the Note 43 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e) The final dividend paid by the Holding Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Holding Company and it's subsidiary company incoporated in India during the year and until the date of this audit report is in accordance with Section 123 of the Act.

As stated in Note 47 to the consolidated financial statements, the Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f) Based on our examination which includes test checks, and as communicated by the respective auditor of six subsidiaries, except for instances mentioned below, the Holding Company and it's subsidiary companies incorporated in India whose financial statements have been audited under the Act, have used an accounting softwares for maintaining its books of accounts, which along with an access management tool, as applicable, has a feature of recording audit trail (edit log) facility except that audit trail was not enabled for one accounting software which is used for preparing billing information in respect of the Holding Company and one subsidiary company and audit trail was not enabled for certain fields from 1 April 2023 till 27 April 2023 at application level for accounting software which is used for maintaining general ledger by all companies. Further, for the period where audit trail (edit log) facility was enabled and operated, we did not come across any instance of audit trail feature being tampered with.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the report of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act except in the case of Holding Company's Whole-time Director where requisite approvals are taken in the general meeting. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Glenn D'souza
Partner
Membership No.: 112554
ICAI UDIN :24112554BKGFNR9099

Place: Mumbai
Date: 15 May 2024

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of CMS Info Systems Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualifications or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr No.	Name of the entity	CIN	Holding Company/ Subsidiary Company	Clause No of the CARO report which is unfavorable or qualified or adverse
1	CMS Info Systems Limited	L45200MH2008PLC180479	Holding Company	xi (a)
2	Securitrans India Private Limited	U74999DL1998PTC095012	Subsidiary company	xi (a)
3	Quality Logistics Services Private Limited	U60231MH2015PTC266933	Subsidiary company	xvii

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Glenn D'souza
Partner
Membership No.: 112554
ICAI UDIN :24112554BKGFNR9099

Place: Mumbai
Date: 15 May 2024

Annexure B to the Independent Auditor's Report on the consolidated financial statements of CMS Info Systems Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of CMS Info Systems Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of report of the other auditors on internal financial controls with reference to financial statements of subsidiary companies, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to six subsidiary companies, which are companies incorporated in India, is based on the corresponding report of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Glenn D'souza
Partner
Membership No.: 112554
ICAI UDIN: 24112554BKGFNR9099

Place: Mumbai
Date: 15 May 2024

Consolidated Balance Sheet

as at March 31, 2024

(₹ in million)

	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	4,677.03	4,696.94
(b) Capital work-in-progress	27	147.30	203.13
(c) Right-of-use assets	5(a)	1,557.51	1,826.45
(d) Goodwill	5	2,060.77	2,060.77
(e) Other intangible assets	5	63.51	109.15
(f) Intangible assets under development	27	33.91	0.24
(g) Financial assets			
(i) Investments	6(a)	600.08	337.55
(ii) Other financial assets	7	480.80	318.80
(h) Deferred tax assets (net)	8	390.33	368.60
(i) Income tax assets (net)		205.89	196.28
(j) Other non-current assets	9	186.85	112.15
Total non-current assets		**10,403.98**	**10,230.06**
Current assets			
(a) Inventories	10	1,268.60	741.70
(b) Financial assets			
(i) Investments	6(b)	4,251.32	2,454.89
(ii) Trade receivables	11	7,197.13	5,260.03
(iii) Cash and cash equivalents	12	1,590.08	963.14
(iv) Bank balances other than (iii) above	12	1,080.06	599.38
(v) Other financial assets	7	98.52	29.62
(c) Other current assets	9	695.55	733.44
Total current assets		**16,181.26**	**10,782.20**
Total Assets		**26,585.24**	**21,012.26**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13(a)	1,627.62	1,544.00
(b) Other equity	13(b)	17,839.97	14,080.55
Total equity attributable to equity share holders of the Company		**19,467.59**	**15,624.55**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	15	1,281.14	1,528.03
(b) Provisions	16	239.27	211.12
(c) Other non-current liabilities	17	81.54	6.14
Total non-current liabilities		**1,601.95**	**1,745.29**
Current Liabilities			
(a) Financial liabilities			
(i) Lease liabilities	15	527.42	505.33
(ii) Trade payables			
Dues of micro enterprises and small enterprises	14	65.30	51.74
Dues to creditors other than micro enterprises and small enterprises	14	3,964.74	2,200.40
(iii) Other financial liabilities	15	596.69	597.35
(b) Other current liabilities	17	326.46	255.50
(c) Provisions	16	35.09	32.10
Total current liabilities		**5,515.70**	**3,642.42**
Total Equity and Liabilities		**26,585.24**	**21,012.26**
Summary of material accounting policies	2		
Summary of Significant accounting judgments, estimates and assumptions	3		
The accompanying notes form an integral part of the consolidated financial statements.	4-51		

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Glenn D'souza
Partner
Membership No.: 112554

Place : Mumbai
Date : 15 May 2024

For and on behalf of the Board of Directors of
CMS Info Systems Limited
CIN: L45200MH2008PLC180479

Tapan Ray
Director
DIN: 00728682
Place : Gandhinagar

Rajiv Kaul
Executive Vice-chairman, Whole-time Director and CEO
DIN: 02581313
Place : Mumbai

Pankaj Khandelwal
Chief Financial Officer
Place : Mumbai

Debashis Dey
Company Secretary
Place : Mumbai

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in million)

	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
Revenue from operations	18	22,646.77	19,147.30
Other income	19	340.15	147.17
Total Income		**22,986.92**	**19,294.48**
Expenses			
Purchase of traded goods	20	2,515.68	1,132.07
Changes in inventories of finished goods (including stock in trade)	21	(567.04)	29.67
Employee benefits expenses	22	3,321.01	2,648.89
Finance costs	23	162.10	196.15
Depreciation and amortisation expenses	4,5 & 5(a)	1,502.16	1,318.18
Other expenses	24	11,382.42	9,959.35
Total Expenses		**18,316.33**	**15,284.31**
Profit before tax		**4,670.59**	**4,010.17**
Tax expense	25		
Current tax		1,217.96	1,103.03
Deferred tax credit		(18.78)	(65.22)
Total tax expense		**1,199.18**	**1,037.81**
Profit for the year attributable to equity shareholders		**3,471.41**	**2,972.36**
Other comprehensive income ('OCI')			
Items that will not be reclassified to profit or loss			
Remeasurement (losses)/gains on defined benefit plans		(15.81)	5.15
Income tax effect		2.95	(1.01)
Other comprehensive income for the year, net of tax		**(12.86)**	**4.14**
Total comprehensive income for the year		**3,458.55**	**2,976.50**
Earnings per equity share (face value of share ₹ 10)	26		
Basic		22.22	19.31
Diluted		21.39	18.67
Summary of material accounting policies	2		
Summary of Significant accounting judgments, estimates and assumptions	3		
The accompanying notes form an integral part of the consolidated financial statements.	4-51		

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Glenn D'souza
Partner
Membership No.: 112554

Place : Mumbai
Date : 15 May 2024

For and on behalf of the Board of Directors of
CMS Info Systems Limited
CIN: L45200MH2008PLC180479

Tapan Ray
Director
DIN: 00728682
Place : Gandhinagar

Rajiv Kaul
Executive Vice-chairman, Whole-time Director and CEO
DIN: 02581313
Place : Mumbai

Pankaj Khandelwal
Chief Financial Officer
Place : Mumbai

Debashis Dey
Company Secretary
Place : Mumbai

Consolidated Statement of Cash flows
for the year ended March 31, 2024

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	4,670.59	4,010.17
Adjustments for:		
Depreciation and amortisation on Property,plant and equipment and Intangible asset	1,070.00	899.07
Depreciation on Right-of-use assets	432.16	419.11
Unrealised foreign exchange gain	(0.21)	(0.78)
Impairment allowance for bad and doubtful receivables and Bad debts written off	906.94	984.91
Profit on disposal of property, plant and equipment (net)	(11.85)	(11.31)
Sundry balances written back	(10.21)	(20.11)
Impairment for doubtful claims receivables	-	3.70
Provision written back	(11.76)	-
Insurance claims recievables written off	16.51	11.87
Net gain on lease modification	(9.89)	(3.47)
Finance income	(136.59)	(69.59)
Profit on sale of current investments	(92.34)	(29.52)
Net change in fair value of current investments measured at FVTPL	(63.89)	(12.42)
Employee stock option compensation cost	365.55	92.80
Finance costs	162.10	196.15
Cash generated from operations before working capital changes	**7,287.12**	**6,470.58**
Adjustments for:		
Increase/(Decrease) in trade payables and other liabilities	1,991.40	(824.02)
Increase in provisions	15.37	11.59
Increase in inventories	(526.90)	(106.87)
Increase in trade receivables	(2,844.04)	(1,251.74)
(Increase)/Decrease in other assets and prepayments	(296.45)	853.07
Cash flow generated from operations	**5,626.50**	**5,152.61**
Taxes paid (net of refunds)	(1,227.57)	(1,084.98)
Net cash flow generated from operating activities (A)	**4,398.93**	**4,067.63**
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	22.86	19.57
Purchase of property, plant and equipment, Intangible assets	(1,083.76)	(1,933.18)
Investments in mutual funds and non convertible debentures	(15,408.41)	(11,578.43)
Proceeds from redemption of mutual funds and Debentures	13,505.63	10,399.99
Investment in deposits with banks	(1,568.47)	(1,071.42)
Proceeds from maturity of deposits with banks	1,218.13	885.15
Interest received	63.20	52.09
Net cash flow used in investing activities (B)	**(3,250.82)**	**(3,226.23)**

Consolidated Statement of Cash flows
for the year ended March 31, 2024

	For the year ended March 31, 2024	For the year ended March 31, 2023
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares	1,154.10	157.46
Dividend paid	(1,135.15)	(154.06)
Finance costs on lease liability	(162.10)	(184.46)
Payment of principal portion of lease liabilities	(378.02)	(340.67)
Net cash flow used in financing activities (C)	**(521.17)**	**(521.73)**
Net Increase in cash and cash equivalents (A+B+C)	**626.94**	**319.67**
Cash and cash equivalents at the beginning of the year	963.14	643.47
Cash and cash equivalents at the end of the year	**1,590.08**	**963.14**
COMPONENTS OF CASH AND CASH EQUIVALENTS:		
Cash on hand	26.47	6.16
Cheque in hand	-	320.26
Balances with bank		
In deposits account with original maturity of less than three months	390.00	400.00
Balance with current accounts	1,173.61	236.72
Cash and cash equivalents at the end of the year (Refer note 12)	**1,590.08**	**963.14**

Note :
The Consolidated Statement of Cash flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard (Ind AS 7) as issued by the Institute of Chartered Accountants of India.

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Glenn D'souza
Partner
Membership No.: 112554

Place : Mumbai
Date : 15 May 2024

For and on behalf of the Board of Directors of
CMS Info Systems Limited
CIN: L45200MH2008PLC180479

Tapan Ray
Director
DIN: 00728682
Place : Gandhinagar

Rajiv Kaul
Executive Vice-chairman, Whole-time Director and CEO
DIN: 02581313
Place : Mumbai

Pankaj Khandelwal
Chief Financial Officer
Place : Mumbai

Debashis Dey
Company Secretary
Place : Mumbai

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

(₹ in million)

Particulars	Equity share capital	Reserve and surplus				Total equity
		Securities premium	Share-based payment reserve (refer note 39)	Capital redemption reserve	Retained earnings	
As at March 31, 2022	**1,531.53**	**765.28**	**331.32**	**150.50**	**9,782.67**	**12,561.29**
Profit for the year	-	-	-	-	2,972.36	2,972.36
Other comprehensive income	-	-	-	-	4.14	4.14
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**2,976.50**	**2,976.50**
Transactions with the owners of the Company						
Contributions and Distributions						
Impact of change in depreciation of HTPL	-	-	-	-	(9.45)	(9.45)
Equity shares issued during the year on exercise of stock options	12.47	-	-	-	-	12.47
Transfer to securities premium on options exercised	-	35.72	(35.72)	-	-	-
Securities premium on shares issued during the year	-	144.99	92.80	-	-	237.79
Dividend Paid	-	-	-	-	(154.06)	(154.06)
Total Contributions and Distributions	**12.47**	**180.71**	**57.08**	**-**	**(163.52)**	**86.74**
As at March 31, 2023	**1,544.00**	**945.99**	**388.40**	**150.50**	**12,595.66**	**15,624.54**
Profit for the year	-	-	-	-	3,471.41	3,471.41
Other comprehensive income	-	-	-	-	(12.86)	(12.86)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**3,458.55**	**3,458.55**
Transactions with the owners of the Company						
Contributions and Distributions						
Equity shares issued during the year on exercise of stock options	83.62	-	-	-	-	83.62
Transfer to securities premium on options exercised	-	259.55	(259.55)	-	-	-
Securities premium on shares issued during the year	-	1,070.48		-	-	1,070.48
Employee stock option compensation cost	-	-	365.55	-	-	365.55
Dividend Paid	-	-	-	-	(1,135.15)	(1,135.15)
Total Contributions and Distributions	**83.62**	**1,330.03**	**106.00**	**-**	**(1,135.15)**	**384.50**
As at March 31, 2024	**1,627.62**	**2,276.02**	**494.40**	**150.50**	**14,919.06**	**19,467.59**

Summary of material accounting policies (Refer Note 2)

Summary of Significant accounting judgments, estimates and assumptions (Refer Note 3)

The accompanying notes form an integral part of the consolidated financial statements. (Refer note 4-51)

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Glenn D'souza
Partner
Membership No.: 112554

Place : Mumbai
Date : 15 May 2024

For and on behalf of the Board of Directors of
CMS Info Systems Limited
CIN: L45200MH2008PLC180479

Tapan Ray
Director
DIN: 00728682
Place : Gandhinagar

Rajiv Kaul
Executive Vice-chairman, Whole-time Director and CEO
DIN: 02581313
Place : Mumbai

Pankaj Khandelwal
Chief Financial Officer
Place : Mumbai

Debashis Dey
Company Secretary
Place : Mumbai

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

1 CORPORATE INFORMATION:

CMS Info Systems Limited (the 'Company' or the 'Holding Company' or the 'Parent') and its subsidiaries (together known as the 'Group') is engaged in the business of providing ATM and Cash Management services, supply, installation and maintenance of ATM and cash deposit machines, and also engaged in card trading and personalization services.

The Company is a listed company incorporated and domiciled in India. The registered office of the Company is located at T-151, 5th Floor, Tower No.10, Sector 11, Railway station complex, CBD Belapur, Navi Mumbai – 400 614.

The Company's shares are listed on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The consolidated financial statements ('CFS') were authorized for issue in accordance with a resolution of the directors on May 15, 2024.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES:

a) Basis of Preparation

These CFS have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules as amended from time to time. The CFS have been prepared on historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

Item basis	Measurement
Non-derivative financial instruments at FVTPL	Fair value
Liabilities for equity settled share-based payments arrangements	Fair value
Net defined benefit (asset) / liability	Fair value of plan assets less the present value of the defined benefit obligation, limited as explained in note 2 (l)

The CFS are presented in Indian Rupees ('INR' or '₹') in million, which is also the Group's functional and presentation currency. The CFS are prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the CFS.

b) Current Versus Non-Current Classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle or expected to be realised within twelve months after the reporting period
- Held primarily for the purpose of trading
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when it is:

- Expected to be settled in normal operating cycle and is due to be settled within twelve months after the reporting period.
- Held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified period of twelve months as its operating cycle.

c) Basis Of Consolidation And Consolidation Procedures:

The CFS comprise the financial statements of the Company and its subsidiaries as at March 31, 2024.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

The list of entities, controlled by the group, which are included in the CFS are as under:

Sr. No	Name of entities*	Percentage of ownership interest as at 31-Mar-24	31-Mar-23
1	Securitrans India Private Limited ('SIPL')	100	100
2	CMS Securitas Limited ('CSL')	100	100
3	CMS Marshall Limited ('CML')	100	100
4	Quality Logistics Services Private Limited	100	100
5	CMS Securitas Employees Welfare Trust ('CMS Trust')	100	100
6	Hemabh Technology Private Limited	100	100
7	CMS Info Foundation	100	100

* All entities are incorporated and have place of business in India.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the CFS from the date the Group gains control until the date the Group ceases to control the subsidiary.

All the companies in the Group follow uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent company, i.e., year ended on March 31, 2024.

Consolidation procedures:

(i) Items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiaries are based on the amounts of the assets and liabilities recognised in the CFS at the acquisition date.

(ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill / capital reserve.

(iii) Eliminate in full intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and Property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the CFS. Ind AS 12 applies to temporary differences that arise from the elimination of profits and losses resulting from intra group transactions.

d) Property, Plant And Equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use. While deriving cost, refundable taxes and discounts are excluded. Borrowing cost relating to acquisition of tangible assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Capital work-in-progress is stated at cost less accumulated impairment.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Consolidated Statement of Profit and Loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of Profit and Loss when the asset is derecognised.

The cost property, plant and equipment as at April 1, 2017, the Group's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as on the date of transition to Ind AS.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

The Group provides depreciation on property, plant and equipment using the straight line method at the rates computed based on the estimated useful lives of the assets as estimated by the management which are in most cases equal to the corresponding rates prescribed in Schedule II to the Act. Certain assets are depreciated at lower rates.

The Group has estimated the following lives to provide depreciation and amortisation:

Category	Useful lives (in years)
Plant and machinery	7*
Electric installations	5
Furniture, fixtures and fittings for BLA	7
Furniture, fixtures and fittings other than BLA	10
Vehicles (used for ATM and Cash Management business)	7*
Other vehicles	8
Office equipment	5
Computers servers and peripherals	3 to 6

*The Group, based on technical assessment made by the management, depreciates certain items of plant and equipment and vehicles (used for ATM and Cash Management business) over the estimated useful lives which are different from the useful lives prescribed in Schedule II to the Act. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Leasehold improvements are depreciated on a straight line basis over the shorter of the estimated useful life of the asset or the lease term, which does not exceed 7 years.

The residual values, useful lives and method of depreciation and amortisation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e) Intangible Assets And Goodwill

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets recognised in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets and internally generated intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Intangible assets are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for intangible assets with finite useful lives are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate.

Intangible assets are amortized on straight line basis over the estimated useful life as follows:

Particulars	Useful Life
Computer software	3-6 years
Customer contracts (fair value of business combination)	5-6 years
Customer contracts (purchased)	2-3 years
Non-compete Fees	6 years (Non-compete period)

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised. Goodwill is tested for impairment annually at the cash-generating unit level.

f) Impairment Of Non- Financial Assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, wherever applicable, a long-term growth rate is calculated and applied to projected future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/ forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

g) Leases

The Group adopted Ind AS 116, leases (which replaces earlier standard Ind AS 17) using modified retrospective approach for transitioning by recognizing right-of-use asset and an equal amount of lease liability on April 1, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Group elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at April 1, 2019.

The Group applies a single recognition and measurement approach for all leases and hence the Group has not considered recognition exemptions for any of its leases. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right-of-use the underlying assets.

The Group also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

i) Right-Of-Use Assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use asset includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

ii) Lease Liability

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-Term Leases and Leases Of Low-Value Assets

The Group does not apply the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and low-value assets recognition exemption.

Group As A Lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term and is included in revenue in the Consolidated Statement of Profit and Loss due to its operating nature.

h) Inventories

Inventories are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of trading goods, stores and

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

spares is determined on a weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

i) Revenue Recognition

Revenue is measured at the transaction price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

The Group recognizes revenue when it transfers control over good or service to a customer. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. The specific recognition criteria described below must also be met before revenue is recognised.

Ind AS 115 requires an entity to measure revenue at the transaction price excluding estimates of variable consideration that is allocated to that performance obligations.

Sale of Goods:

Revenue from sale of goods is recognised at point in time when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

The Group provides and commits preventive maintenance services on its certain products at the time of sale for one or two years from the date of sale. These maintenance services are sold together with the sale of product. Contracts for such sales of product and preventive maintenance services comprise two performance obligations because the promises to transfer the product and to provide the preventive maintenance services are capable of being distinct. Accordingly, a portion of the transaction price is allocated to the preventive maintenance services and recognised as a contract liability. Revenue is recognised over the period in which the preventive maintenance services are provided based on the time elapsed.

Sale of Services:

Revenue from ATM and cash management services, card personalization services and allied operations is recognised over time when the required services are rendered in accordance with the contracts/agreements entered into with the customer and is disclosed net off deductions for shortages, etc. charged by the customers as per the terms of the agreement.

Revenue from annual maintenance contracts is recognised, over the period of the maintenance contract.

The contract liabilities primarily relate to the advance consideration received from customers for ATM and Cash management services and allied operations, for which revenue is recognised over time.

Revenue recognised, in excess of billing is classified as unbilled revenue; while billing in excess of revenue is classified as unearned revenue.

When the entity has a right to consideration for goods/services provided to date, however, the billing for such goods/services and its payment will be received after completion of specified activities, the Group recognizes contract assets for the same.

Sale of ATM Sites:

Revenue from sale of ATM sites is recognised based on customer acceptance received on completion of the ATM sites as per the terms of agreement entered with the customers.

j) Recognition of Dividend Income, Interest Income or Expense:

For all debt instruments measured at amortized cost, interest income is recorded using the effective interest rate (‘EIR’). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the Consolidated Statement of Profit and Loss.

Dividend income is recognised in Consolidated Statement of Profit and Loss on the date on which the Group’s right to receive payment is established.

k) Foreign Currencies

Transactions in foreign currencies are initially recorded by the respective entities of the Group at their respective functional currency spot rates, at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised as income or expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

l) Employee Benefits

i. Short-term Employee Benefits

Short-term employee benefits are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus, if the group has present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Provident fund and employees state insurance is a defined contribution scheme. The Group has no obligation other than the contribution payable to the provident fund and ESIC.

ii. Defined Benefit Plans

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation done as per projected unit credit method, carried out by an independent actuary at the end of the year. The Group makes contributions to a trust administered and managed by an insurance Group to fund the gratuity liability. Under this scheme, the obligation to pay gratuity remains with the Group, although insurance Group administers the scheme.

Net interest is calculated by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. The rate is applied on the net defined benefit liability/(asset) as determined at the start of the annual reporting period, taking into account any changes in the net defined liability/(asset) during the period as a result of contributions and benefit paid. The Group recognizes the following changes in the net defined benefit obligation as an expense in the Consolidated Statement of Profit and Loss - Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income.

Remeasurement comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Consolidated Statement of Profit and Loss in subsequent periods.

iii. Other long-term employee benefits – compensated absences

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as Short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement

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for the year ended March 31, 2024

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purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. The Group presents the leave as a short-term provision in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Remeasurements, comprising of actuarial gains and losses, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

m) Income Taxes

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the assets and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax is not recognised for

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and at the time of the transaction affects neither the accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to the investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Deferred tax relating to items not recognised in the Consolidated Statement of Profit and Loss is recognised either in OCI or in equity (where the item on which deferred tax is arising is recognised). Deferred tax on differences arising in business combination is recognised in Goodwill.

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n) Earnings Per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting the cost recognised in the current year in relation to employee stock options schemes) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

o) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Consolidated Statement of Profit and Loss net of any reimbursement, if any.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

p) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

Contingent Assets

Contingent asset is not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised. Provisions, contingent liabilities and contingent assets are reviewed at each Balance sheet date.

q) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet and cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of overdrafts as they are considered an integral part of the Group's cash management.

r) Share-Based Payment

Employees (including senior management) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and / or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The Statement of Profit and Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Notes to Consolidated Financial Statements
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No expense is recognised for awards that do not ultimately vest because non-market performance and / or service conditions have not been met. When an award is cancelled by the Group or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Consolidated Statement of Profit and Loss.

s) Fair value measurement

The Group measures financial instruments, such as, investment in mutual funds unit is recognised at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as impairment testing of goodwill, non-current assets and fair value of employee stock options schemes. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

t) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

Initial recognition and measurement

On initial recognition, a financial asset is recognised at fair value. In case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset. However, trade receivables without a significant financing component is initially measured at a transaction price.

Financial assets are subsequently classified and measured at:

- Amortised cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVOCI)

Financial assets are not reclassified subsequent to their recognition, except during the period the Group changes its business model for managing financial assets

Trade receivables – Initial measurement

As per Ind AS 109, all financial assets are required to be initially measured at fair value plus or minus the transaction costs and financial assets classified as FVTPL are required to be measured at fair value.

However, an exception to this principle is financial assets in the form of trade receivables, that would be initially measured at transaction price (as defined in Ind AS 115) unless that contain a material financing component determined in accordance with Ind AS 115 (or when an entity applies the practical expedient).

Consistency should be maintained between the accounting policy for initial measurement of trade receivables and the accounting policy for measurement of corresponding revenue.

Debt instruments at amortized cost

A debt instrument' is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Consolidated Statement of Profit and Loss. The losses arising from impairment are recognised in the Consolidated Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

Equity Investments

Investment in subsidiaries

Investment in subsidiaries is carried at cost in the standalone financial statements.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(a) the Group has transferred substantially all the risks and rewards of the asset, or

(b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to the Statement of Profit and Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Consolidated Statement of Profit and Loss. The Group has not designated any financial liability as at fair value through Consolidated Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in the Consolidated Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is

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measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets which are not fair valued through profit or loss and equity instruments recognised in OCI. Loss allowance for trade receivables and insurance claims is measured at an amount equal to lifetime ECL at each reporting date, right from its initial recognition. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income or expense in the Consolidated Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Consolidated Statement of Profit and Loss.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

u) Business Combinations and Goodwill

Business combinations are accounted by using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-

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for the year ended March 31, 2024

assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained. Goodwill is tested for impairment annually as at March 31 and when circumstances indicate that the carrying value may be impaired.

Goodwill represents the excess of purchase consideration paid over the value of net assets of CMS Computers Limited taken over by the Group in accordance with the Scheme of Arrangement with the CMS Computers Limited and towards the business acquisition from Checkmate Services Private Limited. The Scheme was effective from April 1, 2008 and business from Checkmate was acquired with effect from April 30, 2018 respectively.

v) Rounding of Amount

Amount disclosed in the financial statements and notes have been rounded off to the nearest million as per the requirement of schedule III, unless otherwise stated.

w) Cash Dividend Distribution to Equity Holders of the Parent

The Group recognizes a liability to make cash distributions to equity holders of the parent when the distribution is authorized and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

x) Segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments operating results are reviewed regularly by CODM to make decisions about resources to be allocated to the segments and assess their performance.

The Group has the following three strategic divisions, which are its reportable segments. These divisions offer different products and services and are managed separately.

The following summary describes the operations in each of the Group's reportable segments:

Reportable segments	Operations
Cash Management services	ATM cash management services, Retail cash management solutions, Cash in transit services for banks and other related services.
Managed services	Banking automation product deployment and AMC, Brown Label ATMs and managed services for banks, Software solutions including multi-vendor software and automation solutions and Remote monitoring Technology solutions.
Card services	Revenue from trading in card and card personalization services.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES and ASSUMPTIONS:

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual result may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Significant judgement:

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Leases

The application of Ind AS 116 requires group to make judgments and estimates that affect the measurement of right-of-use assets and liabilities. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to terminate the lease if the group is reasonably certain not to exercise that option. In assessing whether the group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the group to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The Group has adopted average borrowing rate as it's incremental borrowing rate (IBR).

Estimates

Information about assumptions and estimates uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

Defined benefit plans

The cost of the defined benefit plans and the present value of the defined obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. Future salary increases are based on expected future inflation rates. The mortality rate is based on publicly available mortality tables for the country. Those mortality tables tend to change only at interval in response to demographic changes. Refer note 28 for sensitivity analysis in relation to this estimate.

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Impairment of Goodwill

Goodwill is tested for impairment at-least on an annual basis and when events that occur / changes in circumstances - indicate that the recoverable amount of the CGU is less than its carrying value.

Investment in subsidiaries is tested for impairment when events occurs that indicates that the recoverable amount is less than its carrying value.

The impairment indicators, the estimation of expected future cash flows and the determination of the fair value of CGU (including Goodwill) require the Management to make significant judgments, estimates and assumptions concerning the identification and validation of impairment indicators, fair value of assets, Revenue growth rates and operating margins used to calculate projected future cash flows, relevant risk-adjusted discount rate, future economic and market conditions, etc. For the details as to carrying amount of Goodwill and impairment testing (including related sensitivity analysis), refer note 33.

Share-based payments

The Group initially measures the cost of equity-settled transactions with employees using Black Scholes model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 39.

Claims receivable

It represents the claims made the Group from Insurance companies and others on account of cash loss due to theft or loot etc. at the time of replenishment of cash in ATM's and cash deposits and pick-ups.

The Group has recognised the claims in books, when the amount thereof can be measured reliably and ultimate collection is reasonably certain. The claims receivable balances are reviewed annually by the management and necessary doubtful provision percentage is calculated on the basis of group's historical experiences and recoverability of amount from Insurance companies and others.

Expected Credit Loss

The Group has large number of individual customers. Management assesses the level of allowance for doubtful debts after taking into account ageing analysis and any other factor specific to individual counterparty and a collective estimate based on historical experience adjusted for certain current factors.

Other Provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

Recent pronouncement:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

Material accounting policy information

The Group adopted disclosure of Accounting Policies (amendments of Ind AS 1) from 1 April 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the consolidated financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The application of materiality to disclosure of accounting policies, arising entities to provide useful, entity specific accounting policy information that users need to understand other information in the consolidated financial statements.

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as at March 31, 2024

4 PROPERTY, PLANT and EQUIPMENT

(₹ in million)

Particulars	Plant and machinery	Electrical installations	Furniture, fixtures and fittings	Vehicles	Office equipment	Leasehold Improvements	Computers, Servers and peripherals	Total
Gross block value as at March 31, 2022	**2,795.24**	**39.80**	**488.10**	**2,449.53**	**84.10**	**160.18**	**411.82**	**6,428.77**
Additions during the year	1,170.43	6.27	76.50	678.24	5.77	44.84	70.03	2,052.08
Deletions during the year	78.51	5.63	8.18	173.08	1.90	5.29	41.93	314.52
Gross block value as at March 31, 2023	**3,887.16**	**40.44**	**556.42**	**2,954.69**	**87.97**	**199.73**	**439.92**	**8,166.33**
Additions during the year	377.01	9.56	15.27	488.85	3.50	46.65	46.60	987.44
Deletions during the year	18.09	1.70	34.72	255.04	0.71	-	61.92	372.18
Gross block value as at March 31, 2024	**4,246.08**	**48.30**	**536.97**	**3,188.50**	**90.76**	**246.38**	**424.60**	**8,781.59**
Accumulated depreciation as at March 31, 2022	**628.59**	**27.97**	**136.52**	**1,669.00**	**71.93**	**59.43**	**365.62**	**2,959.05**
Impact of revaluation	9.14	-	-	-	0.00	-	0.25	9.39
Depreciation for the year	493.79	5.10	71.72	176.47	5.10	21.25	33.77	807.20
Accumulated depreciation on disposals	75.38	5.32	6.40	173.06	1.71	2.47	41.92	306.26
Accumulated depreciation as at March 31, 2023	**1,056.14**	**27.75**	**201.84**	**1,672.41**	**75.32**	**78.21**	**357.72**	**3,469.39**
Depreciation for the year	587.23	5.61	74.05	253.00	4.92	27.04	44.49	996.34
Accumulated depreciation on disposals	16.19	1.70	25.71	254.97	0.71	-	61.89	361.17
Accumulated depreciation as at March 31, 2024	**1,627.18**	**31.66**	**250.18**	**1,670.44**	**79.53**	**105.25**	**340.32**	**4,104.56**
Net block as at March 31, 2024	**2,618.90**	**16.64**	**286.79**	**1,518.06**	**11.23**	**141.13**	**84.28**	**4,677.03**
Net block as at March 31, 2023	**2,831.02**	**12.69**	**354.58**	**1,282.28**	**12.65**	**121.52**	**82.20**	**4,696.94**

Note:

1. Capital work-in-progress at March 31, 2024 is ₹ 147.30 million (March 31 2023: is ₹ 203.13 million). Additions made to the capital work-in-progress during the year amount to ₹ 142.36 million (March 31 2023: ₹ 201.91 million). Assets amounting to ₹ 198.19 million (March 31, 2023 ₹ 434.62 million) has been capitalised during the year. (Refer note 27)

2. The Group had amended the useful life of commercial vehicles in line with industry practice and based on guidelines issued by MHA-RBI, from 6 years to 7 years with effect from April 01, 2022 resulting in lower depreciation charge of ₹ 54.47 million in the year ended March 31, 2023.

Notes to Consolidated Financial Statements

as at March 31, 2024

5 INTANGIBLE ASSETS

(₹ in million)

Particulars	Computer software	Non-compete fees	Customer Contract	Total	Goodwill
Gross block value as at March 31, 2022	**158.17**	**168.10**	**342.49**	**668.76**	**2,060.77**
Additions during the year	27.93	-	-	27.93	-
Deletion during the year	0.32	-	-	0.32	-
Gross block value as at March 31, 2023	**185.78**	**168.10**	**342.49**	**696.37**	**2,060.77**
Additions during the year	27.99	-	-	27.99	
Deletion during the year	0.04	-	-	0.04	
Gross block value as at March 31, 2024	**213.73**	**168.10**	**342.49**	**724.32**	**2,060.77**
Accumulated depreciation as at March 31, 2022	**129.23**	**162.20**	**204.24**	**495.67**	**-**
Amortisation during the year	17.97	3.00	70.90	91.87	-
Deletion during the year	0.32	-	-	0.32	-
Accumulated depreciation as at March 31, 2023	**146.88**	**165.20**	**275.14**	**587.22**	**-**
Amortisation during the year	26.07	3.01	44.66	73.64	-
Deletion during the year	0.04	-	-	0.04	-
Accumulated depreciation as at March 31, 2024	**172.91**	**168.10**	**319.80**	**660.82**	**-**
Net block as at March 31, 2024	**40.82**	**-**	**22.69**	**63.51**	**2,060.77**
Net block as at March 31, 2023	**38.90**	**2.90**	**67.35**	**109.15**	**2,060.77**

Intangible assets under development as at March 31, 2024 is ₹33.91 million (March 31, 2023 ₹ 0.24 million). Additions made to Intangible assets under development during the year amount to ₹ 33.91 million (March 31, 2023 ₹ 0.24 million). Asset amounting to ₹ 0.24 million (March 31, 2023 ₹ 1.02 million) has been capitalised during the year. (Refer note 27)

5(A) RIGHT-OF-USE ASSETS

(₹ in million)

Particulars	Leasehold Property	Total
Gross block value as at March 31, 2022	2,357.81	2,357.81
Additions during the year	565.37	565.37
Deletion during the year	173.17	173.17
Gross block value as at March 31, 2023	**2,750.01**	**2,750.01**
Additions during the year	231.54	231.54
Deletion during the year	170.34	170.34
Gross block value as at March 31, 2024	**2,811.21**	**2,811.21**
Accumulated depreciation as at March 31, 2022	557.83	557.83
Depreciation charge for the year	419.11	419.11
Deletion during the year	53.39	53.39
Accumulated depreciation as at March 31, 2023	923.55	923.55
Depreciation charge for the year	432.06	432.06
Deletion during the year	101.91	101.91
Accumulated depreciation as at March 31, 2024	**1,253.70**	**1,253.70**
Net block as at March 31, 2024	**1,557.51**	**1,557.51**
Accumulated depreciation as at March 31, 2023	1,826.46	1,826.46

Notes to Consolidated Financial Statements

as at March 31, 2024

6 INVESTMENTS

(₹ in million)

		As at March 31, 2024	As at March 31, 2023
(a)	**Non-current investments**		
	Investments in equity shares of other companies (unquoted, fully paid up, value at Cost)		
	7,500 (March 31,2023:7,500) Equity shares of ₹10 each, fully paid up, Belapur Railway Station Complex Limited	0.08	0.08
	Nil (March 31, 2023 : 20,160) equity shares of ₹25 each of Apna Bank	-	0.50
	Investment in Quoted Non-convertible debentures (NCD) (at amortized cost)		
	0% HDB Premium 2024_Series2021	-	54.21
	0% L&T Finance Limited	-	30.74
	5.86% Tata Capital Housing Finance Limited	-	49.08
	7.28% HDFC Ltd- Bond	-	49.79
	5.75% Bajaj Finance Limited Bond	-	49.01
	8% Mahindra & Mahindra Financial Services	50.00	-
	6.70% Tata Capital Limited	100.00	-
	8.1965% HDB Financial 2025	100.00	-
	7.9585% M&M Financial Services Limited 26.09.2025	100.00	-
	8% Mahindra & Mahindra Financial Bond	50.00	-
	0% HDB 2025 Series Debentures	100.00	104.14
	Kotak Mahindra Investments Limited	100.00	-
		600.08	**337.55**
	Note: (Redeemable debentures classified as at amortized cost have interest rates of 0% to 8.19% (March 31, 2023: 0% to 7.28%) and the remaining maturity period of these investments are more than one year.)		
(b)	**Current Investments in units of quoted mutual fund (at fair value through profit and loss)**		
	149,190 Units ICICI Prudential Short-term Plan- Growth (March 31, 2023: 149,190 Units)	8.79	8.11
	250,520 Units HDFC Corporate Debt Opportunities Fund Growth (March 31, 2023: 250,520 Units)	5.85	5.41
	140,072 Units Aditya Birla Sun Life Medium-term Plan-Growth (March 31, 2023: 148,373 Units)	5.18	5.08
	Nil Units SBI Magnum Ultra Short duration fund (March 31, 2023: 39,079 Units)	-	201.59
	4,036,435 Units Kotak Bond Short-term Fund (March 31, 2023: Nil Units)	207.97	-
	717,214 Units ICICI Prudential Money Market Fund (March 31, 2023: Nil Units)	250.47	-
	423,187 Units ICICI Prudential Liquid Fund (March 31, 2023: 782,751 Units)	151.25	260.80
	38,772 Units ICICI Prudential Overnight Fund (March 31, 2023: 82,762 Units)	50.04	100.02
	Nil Units ICICI Prudential Ultra Short-term Fund (March 31, 2023: 3,168,999 Units)	-	80.18
	72,021 Units Kotak liquid fund (March 31, 2023: 100,479 Units)	351.39	457.02
	Nil Units Aditya Birla Sunlife Money Manager Fund (March 31, 2023: 633,609 Units)	-	200.34
	111,937 Units Kotak Money Market Fund (March 31, 2023: 52,330 Units)	461.46	200.34
	Nil Units Bharat Bond FOF (March 31,2023: 13,106,048 Units)	-	160.16
	66,238 Units SBI Liquid fund (March 31, 2023: 117,837 Units)	250.33	415.18
	505,705 Units ICICI Prudential GILT Fund (March 31, 2023: Nil Units)	50.21	-
	2,235,065 Units ICICI Prudential Constant Maturity GILT Fund (March 31, 2023: Nil Units)	50.19	-
	8,600,835 Units ICICI Prudential Short-term Fund (March 31, 2023: Nil Units)	456.87	-
	3,347,976 SBI Short-term Fund (March 31, 2023: Nil Units)	102.71	-
	6,154,829 SBI Arbitrage opportunities Fund (March 31, 2023: Nil Units)	201.47	-
	117,676 Units Kotak Overnite Fund (March 31, 2023: Nil Units)	150.30	-
	106,991 Units Kotak Low duration Fund (March 31, 2023: Nil Units)	352.68	-
	76,363 Units SBI Magnum Low duration Fund (March 31, 2023: Nil Units)	251.80	-
	1,248,580 Units SBI Arbitrage Opportunities Fund (March 31, 2023: Nil Units)	335.36	-
	Investment in Quoted Non-convertible debentures (NCD) (at amortized cost)		
	0% Axis Finance Limited PP- MLD Series 02/ 2020-21	-	34.97
	0% L&T Finance Series A 2020-21	-	20.37

Notes to Consolidated Financial Statements

as at March 31, 2024

6 INVESTMENTS (Continued)

(₹ in million)

	As at March 31, 2024	As at March 31, 2023
0% Tata Cleantech Capital NCD "A" 2020-21	-	59.29
6.49% Tata Capital Ltd NCD A Series 21-22	-	98.79
6.49% Tata Capital Limited Debentures	-	49.36
8.62% HDFC Credila Financial Services	17.00	-
6.7942% Tata Capital Limited 2024	100.00	-
5.72% Axis Finance Limited	50.00	-
7.77% Kotak Mahindra Investments Ltd.	100.00	-
0% L&T Finance MLD	50.00	-
9.30% L&T Infra NCD	50.00	-
HDB/0% Premium 2024_Series 2021	50.00	-
0% L&T Finance Limited	30.00	-
7.50% HDFC Ltd NCD Series W006	50.00	-
8.55% IIFCL Bond	10.00	-
8.60% NIIF Infrastructure Finance Ltd	50.00	-
5.42% HDB 2024 Series Debentures	-	97.88
	4,251.32	**2,454.89**
Note:(Redeemable debentures classified at amortized cost have interest rates of 0% to 9.30% (March 31, 2023: 0% to 6.49%) and maturity in one year.)		
Aggregate book value of quoted investments (NCD and Mutual funds)	4,851.32	2,791.85
Aggregate market value of quoted investments (NCD and Mutual funds)	4,863.97	2,791.86
Aggregate value of unquoted investments	0.08	0.58
Aggregate amount of investments	**4,851.40**	**2,792.43**

7 OTHER FINANCIAL ASSETS

(₹ in million)

	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good				
Claims receivable	88.46	91.02	-	-
Less : Loss allowance	(37.58)	(42.34)	-	-
	50.87	**48.68**	**-**	**-**
Accrued interest	-	-	80.91	12.01
Balance in fixed deposit accounts with original maturity more than 12 months	219.85	-	-	-
Margin money deposits [refer note (i) below]	95.46	146.69	-	-
Advances to employees	-	-	17.61	17.61
Security deposits	114.62	123.43	-	-
	480.80	**318.80**	**98.52**	**29.62**
Unsecured, considered doubtful				
Security deposits	2.33	2.33	-	-
Claims receivable	10.11	17.11	-	-
	12.44	**19.44**	**-**	**-**
Less: Impairment allowance for doubtful assets	(12.44)	(19.44)	-	-
	480.80	**318.80**	**98.52**	**29.62**

Note:

(i) Margin money deposits given as security

Margin money deposits with carrying amount of ₹ 73.22 million (March 31, 2023: ₹ 91.06 million) are subject to first charge to secure the Bank guarantees / fixed deposits given by banks on behalf of the Group for pending court cases and deposits of ₹ 22.24 million (March 31, 2023 - ₹ 55.63 million) are subject to first charge to secure the facillities for Vaulting and ATM operations.

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Notes to Consolidated Financial Statements

as at March 31, 2024

8 DEFERRED TAX ASSETS (NET)

(₹ in million)

	As at March 31, 2024	As at March 31, 2023
Deferred tax assets		
Impairment allowance for bad and doubtful receivables	335.45	338.62
Impairment allowance for doubtful advances,claims receivable and deposits	10.05	11.24
Provision for employee benefits and bonus payable	55.07	55.89
Leases	61.72	48.89
Unabsorbed Losses	16.53	1.81
	478.82	**456.45**
Deferred tax liabilities		
Depreciation	72.65	87.85
Right-of- use assets	1.46	-
Others	14.38	-
	88.49	**87.85**
Deferred tax assets (Net)	**390.33**	**368.60**

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2024 are as follows:

(₹ in million)

	Opening balance	Recognised in profit and loss	Recognised in / reclassified from other comprehensive income	Adjustments/ utilisation	Closing balance
Deferred tax assets / (liabilities) in relation to					
Property, plant and equipment and intangible assets	(87.85)	15.20	-	-	(72.65)
Provision for employee benefit obligations	55.89	(0.82)	-	-	55.07
Receivables, financial assets at amortized cost	338.62	(3.17)	-	-	335.45
Lease liabilities and right-of-use assets	48.89	12.83	-	-	61.72
Others	13.05	(2.33)	-	-	10.73
	368.60	**21.71**	**-**	**-**	**390.33**

Gross deferred tax assets and liabilities are as follows:

(₹ in million)

As at March 31, 2024	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment and intangible assets	-	(72.65)	(72.65)
Provision for employee benefit obligations	55.07	-	55.07
Receivables,financial assets at amortized cost	335.45	-	335.45
Lease liabilities and right-of-use assets	61.72	-	61.72
Others	26.57	(15.84)	10.73
	478.82	**(88.49)**	**390.33**

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2023 are as follows:

(₹ in million)

	Opening balance	Recognised in profit and loss	Recognised in / reclassified from other comprehensive income	Adjustments/ utilisation	Closing balance
Deferred tax assets / (liabilities) in relation to					
Property, plant and equipment and intangible assets	(52.35)	(35.50)	-	-	(87.85)
Provision for employee benefit obligations	72.69	(16.80)	-	-	55.89
Receivables,financial assets at amortized cost	240.98	97.64	-	-	338.62
Lease liabilities and right-of-use assets	28.43	20.46	-	-	48.89
Others	14.65	(1.59)	-	-	13.05
	304.40	**64.21**	**-**	**-**	**368.60**

Notes to Consolidated Financial Statements
as at March 31, 2024

Gross deferred tax assets and liabilities are as follows:

(₹ in million)

As at March 31, 2023	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment and intangible assets	-	(87.85)	(87.85)
Provision for employee benefit obligations	55.89	-	55.89
Receivables,financial assets at amortized cost	338.62	-	338.62
Lease liabilities and right-of-use assets	48.89	-	48.89
Others	13.05	-	13.05
	456.46	(87.85)	368.60

9 OTHER ASSETS

(₹ in million)

	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good				
Advances recoverable in kind or for value to be received	-	-	310.09	230.74
Capital advances	42.67	9.61	0.13	0.25
Receivable from Government Authorities	47.66	47.66	77.34	121.99
Prepaid expenses	96.52	54.88	162.63	136.68
Unbilled revenue (Contract assets)	-	-	145.36	243.79
	186.85	112.15	695.55	733.45

10 INVENTORIES

(₹ in million)

	As at March 31, 2024	As at March 31, 2023
Valued at lower of cost and net realizable value		
Trading goods (refer note below)	816.75	249.71
Stores and spares	451.85	491.99
	1,268.60	741.70

Note:

Trading stock includes stock at ATM sites which are not installed as at March 31, 2024 amounting to ₹ 243.71 million (March 31, 2023 - ₹ 27.62 million).

During the year, the Group recorded inventory write downs of ₹ 14.36 million (March 31, 2023 ₹ 29.63 million). These adjustments were included in consumption of stores and spares

11 TRADE RECEIVABLES

(₹ in million)

	As at March 31, 2024	As at March 31, 2023
Undisputed Trade receviable considered good - Unsecured (Refer note 37)	5,625.74	3,959.46
Disputed Trade receviable considered good - Unsecured (Refer note 37)	55.70	55.67
Unbilled Revenue (Refer note 37)	2,601.36	2,336.16
Disputed Trade receivable - Credit impaired	237.07	237.07
Total Trade Receivable	8,519.87	6,588.36
Less: Loss allowance	(1,322.74)	(1,328.33)
Net Trade Receivables	7,197.13	5,260.03

Notes to Consolidated Financial Statements
as at March 31, 2024

12 CASH AND BANK BALANCES

(₹ in million)

	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
Balances with banks		
On current account	1,173.61	236.72
Deposits with original maturity of less than three months	390.00	400.00
Cheques on hand	-	320.26
Cash on hand	26.47	6.16
	1,590.08	963.14
Bank Balances other than above		
Funds held relating to cash management activity [refer note (i) below]	392.38	93.42
Deposits with original maturity for less than 12 months but more than three months	410.00	360.00
Margin money deposits [refer note (ii) below]	277.68	145.96
	1,080.06	599.38

Notes;

(i) Funds held relating to cash management activity, represents the net funds used by the Group for operating one of the services of its cash management business. These include Bank balances and Cash in Vaults as reduced by the amounts payable to customers.

(ii) Margin money deposits with carrying amount of ₹ 143.25 million (March 31, 2023 ₹ 37.36 million) are subject to first charge to secure the Bank guarantees / fixed deposits given by banks on behalf of the Group for pending court cases and deposits of ₹ 134.42 million (March 31, 2023 - ₹ 108.60 million) are subject to first charge to secure the facillities for Vaulting and ATM operations.

13(A) EQUITY SHARE CAPITAL

(₹ in million)

	As at March 31, 2024	As at March 31, 2023
Authorized share capital		
173,000,000 (March 31, 2023 - 173,000,000) equity shares of ₹ 10 each	1,730.00	1,730.00
1,500,000 (March 31, 2023 - 1,500,000) 0.01% Optionally convertible cumulative redeemable preference shares of ₹ 100 each	150.00	150.00
	1,880.00	1,880.00
Issued, subscribed and fully paid up shares:		
162,762,291 (March 31, 2023- 154,400,078) equity shares of ₹ 10 each	1,627.62	1,544.00

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

(₹ in million)

Equity shares	As at March 31, 2024		As at March 31, 2023	
	No of Shares	Amount	No of Shares	Amount
At the beginning of the year	154,400,078	1,544.00	153,152,747	1,531.53
Add: Shares issued on excercise of Employee Stock Options Sundry deposits (Refer Note 39)	8,362,213	83.62	1,247,331	12.47
Outstanding at the end of the year	162,762,291	1,627.62	154,400,078	1,544.00

(i) Terms and rights attached to equity shares

The Group has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting, except in case of interim dividend which is approved by the Board of Directors.

In the event of liquidation of the Group, the holders of the equity shares will be entitled to receive the remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to Consolidated Financial Statements
as at March 31, 2024

(ii) Details of shares held by the holding Company and other shareholders in the Group including details of shareholders holding more than 5% shares in the Group

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No of Shares	% Shareholding	No of Shares	% Shareholding
Equity shares of ₹ 10 each fully paid up				
Sion Investment Holdings Pte. Limited	-	-	93,011,975	60.24%
SBI Small Cap Fund	15,000,000	9.22%	8,286,487	5.37%
Rajiv Kaul	10,078,931	6.20%	3,395,000	1.29%
WF Asian Reconnaissance Fund Limited	8,469,650	5.20%	8,843,973	5.73%
Total	**33,548,581**	**20.62%**	**113,537,435**	**72.62%**

(iii) Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2024 is as follows:

Promoter name	Shares held by Promoters				% of change during the year
	As at March 31, 2024		As at March 31, 2023		
	No. of shares	% of total shares	No. of shares	% of total shares	
Sion Investment Holdings Pte. Limited	-	-	93,011,975	60.24%	-60.24%

Disclosure of shareholding of promoters as at March 31, 2023 is as follows:

Promoter name	Shares held by Promoters				% of change during the year
	As at March 31, 2023		As at March 31, 2022		
	No. of shares	% of total shares	No. of shares	% of total shares	
Sion Investment Holdings Pte. Limited	93,011,975	60.24%	97,074,075	63.38%	-3.14%

Notes:

i) As per records of the Group, including its register of share holders / members and other declarations received from shareholders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.

(ii) Shares reserved for issue under options

Terms attached to stock option granted plan to employees under employee stock option schemes are described in note 39.

13(B) OTHER EQUITY

(₹ in million)

	As at March 31, 2024	As at March 31, 2023
A) SUMMARY OF OTHER EQUITY BALANCE		
(i) Securities premium		
Opening balance	945.99	765.28
Add: Securities premium on shares (stock options) issued during the year	1,070.48	144.99
Add: Transfer on exercise of options	259.55	35.72
Closing balance	**2,276.02**	**945.99**
(ii) Share-based payment reserve (refer note 39)		
Opening balance	388.40	331.32
Add: Employee stock option compensation cost during the year	365.55	92.80
Less: Transfer on exercise of options	(259.55)	(35.72)
Closing balance	**494.40**	**388.40**
(iii) Capital redemption reserve		
Opening balance	150.50	150.50
Closing balance	**150.50**	**150.50**

Notes to Consolidated Financial Statements
as at March 31, 2024

13(B) OTHER EQUITY (CONTINUED..)

(₹ in million)

	As at March 31, 2024	As at March 31, 2023
(iv) Retained earnings		
Opening balance	12,595.66	9,782.67
Add: Net profit after tax transferred from Statement of Profit and Loss	3,471.41	2,972.36
Less: Impact of change in depreciation of HTPL	-	(9.45)
Less: Dividend Paid	(1,135.15)	(154.06)
Add: Other comprehensive income (net of tax)	(12.86)	4.14
Closing balance	**14,919.06**	**12,595.66**
Total	**17,839.97**	**14,080.55**

B) Nature and purpose of reserves

(i) **Securities Premium:** The amount received in excess of face value of the equity shares is recognised in Securities Premium. In case of equity-settled share-based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium, on exercise of the option. During the current year the group has recognised securities premium of ₹ 259.55 millions (March 31, 2023 ₹ 35.72 millions).

(ii) **Share-based payment reserves:** The fair value of the equity-settled share-based payment transactions is recognised in Statement of Profit and Loss with corresponding credit to Share-based payment reserves.

(iii) **Capital Redemption Reserve:** The Group has recognised Capital Redemption Reserve on buyback of equity shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the equity shares bought back.

(iv) **Retained Earnings:** Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

14 TRADE PAYABLES

(₹ in million)

	As at March 31, 2024	As at March 31, 2023
Dues of Micro enterprises and Small enterprises (refer note 32(a))	65.30	51.74
Dues of creditors other than micro enterprises and small enterprises (refer note 32(b))	2,542.41	869.10
Accrued Expenses	1,422.33	1,331.30
	4,030.03	2,252.14

15 OTHER FINANCIAL LIABILITIES AND LEASE LIABILITIES

(₹ in million)

	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Capital creditors	-	-	30.16	87.57
Payable to employees	-	-	547.85	483.07
Others	-	-	18.68	26.71
	-	-	**596.69**	**597.35**
Lease liabilites (refer note 29)	1,281.14	1,528.03	527.42	505.33
	1,281.14	**1,528.03**	**527.42**	**505.33**

16 PROVISIONS

(₹ in million)

	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits (refer note 28)				
For gratuity	170.27	154.63	16.42	15.79
For compensated absences	69.00	56.49	18.67	16.30
	239.27	**211.12**	**35.09**	**32.09**

Notes to Consolidated Financial Statements

as at March 31, 2024

17 OTHER LIABILITIES

(₹ in million)

	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Statutory liabilities (including provident fund, tax deducted at source and others)	-	-	242.22	220.49
Unearned revenue (Contract liability) (Refer note 41)	81.54	6.14	84.24	35.01
	81.54	6.14	326.46	255.50

18 REVENUE FROM OPERATIONS (REFER NOTE 41)

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of ATM and ATM Sites	1,401.70	572.10
Sale of products	1,351.98	902.67
Sale of services	19,893.09	17,672.53
Revenue from operations	22,646.77	19,147.30
Details of products sold		
ATM Spares and related products	1,024.54	849.02
Cards	325.81	52.30
Others	1.62	1.35
	1,351.98	902.67
Details of services rendered		
Cash Management services	13,919.32	15,861.04
Managed Services	5,406.06	1,394.53
Card Personalization	567.71	416.96
	19,893.09	17,672.53

19 OTHER INCOME

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Other income consist of the following:		
Interest Income	136.59	58.12
Profit on sale of current investments	92.34	29.52
Net change in fair value of current investments measured at FVTPL	63.89	12.42
Net gain on disposal of property, plant and equipment	11.85	11.31
Net gain on lease modification	9.89	3.47
Foreign exchange gain (net)	3.33	-
Other Income	22.26	32.33
	340.15	147.17
Interest income comprises of:		
Bank deposits	56.35	54.33
Debenture	75.75	0.59
Security deposits measured at amortized cost	4.49	3.20
	136.59	58.12

20 PURCHASE OF TRADED GOODS

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of traded goods	2,515.68	1,132.07
Details of purchases		
ATM and ATM Sites	1,853.03	453.66
ATM Spares and related products	538.98	628.17
Cards	123.67	50.24
	2,515.68	1,132.07

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

21 CHANGES IN INVENTORIES OF FINISHED GOODS (INCLUDING STOCK IN TRADE)

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the end of the year		
Traded goods	816.75	249.71
Inventories at the beginning of the year		
Traded goods	249.71	279.38
	(567.04)	29.67

22 EMPLOYEE BENEFITS EXPENSE

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	2,670.10	2,276.02
Contribution to provident and other funds (refer note 28)	199.85	180.59
Gratuity expense (refer note 28)	47.22	40.57
Share-based payments to employees (refer note 39)	365.55	92.80
Staff welfare expenses	38.29	58.91
	3,321.01	2,648.89

23 FINANCE COSTS

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest others	-	11.69
Interest on lease liability	162.10	184.46
	162.10	196.15

24 OTHER EXPENSES

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Service and security charges	4,493.14	3,815.65
Conveyance and traveling expenses	1,075.63	952.45
Vehicle maintenance, hire and fuel cost	1,641.35	1,584.29
Consumption of stores and spares	882.67	453.00
Annual maintenance charges	442.61	457.28
Lease rentals	19.19	14.22
Legal, professional and consultancy fees	430.85	353.61
Courier, freight and forwarding charges	220.60	188.55
Power and electricity charges	218.12	195.05
Insurance	234.33	226.23
Communication costs	164.26	154.45
Impairment allowance for bad and doubtful receivables and Bad debts written off	906.94	984.91
Cash disposal charges	226.60	211.93
Insurance claims recievables written off	16.51	29.10
Less: Out of the provision of earlier years	-	(17.23)
Impairment allowance for doubtful insurance claims	-	3.70
Cash lost in transit	87.44	41.85
Repairs and maintenance- Building	-	0.63
Repairs and maintenance- Plant and Machinery	-	0.19
Repairs and maintenance- Others	75.21	67.30
Payment to auditors		
Audit fees	12.72	12.03
Reimbursement of expenses	1.00	0.96
In other matters	-	1.34
Foreign exchange loss (net)	0.00	12.69
Expenditure on corporate social responsibility (Refer Note 34)	66.98	50.94
Miscellaneous expenses	166.27	164.24
	11,382.42	9,959.35

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

25 INCOME TAXES

(₹ in million)

	For the year ended March 31, 2024	For the year ended March 31, 2023
The income tax expense consists of the following:		
Current tax		
Current tax expense for current year	1,215.13	1,111.74
Current tax benefit pertaining to prior years	2.83	(8.71)
Total	**1,217.96**	**1,103.03**
Deferred tax		
Deferred tax benefit for current year	(18.78)	(65.22)
	(18.78)	**(65.22)**
	1,199.18	**1,037.81**

The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before taxes	4,670.59	4,010.17
Indian statutory income tax rate	25.17%	25.17%
Expected income tax expense	1,175.49	1,009.28
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Net effect of non deductible allowances and exemptions	20.85	37.25
Others (net)	2.83	(8.71)
Total income tax expense	**1,199.18**	**1,037.81**

26 EARNINGS PER SHARE

The following reflects the profit and equity shares data used in the basic and diluted EPS computations:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Profit for the year attributable to equity shareholders (₹ in million)	3,471.41	2,972.36
Weighted average number of equity shares for Basic EPS	156,263,816	153,893,100
Weighted average number of equity shares on account of Employee stock option scheme for dilutive impact	6,058,937	5,330,382
Weighted average number of equity shares for diluted EPS	162,322,753	159,223,482
Earnings Per Share		
Basic (in ₹)	22.22	19.31
Diluted (in ₹)	21.39	18.67

27 CAPITAL WORK-IN-PROGRESS (INCLUDING INTANGIBLE ASSETS UNDER DEVELOPMENT) *

The following reflects the Capital work-in-progress for ongoing projects during the years:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Opening balance as at	203.13	435.83
(+) Additions during the year	142.36	201.91
(-) Capitalized during the year	(198.19)	(434.62)
Closing balance as at	**147.30**	**203.13**

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

The following table represents CWIP ageing as at respective years:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Less than 1 year	142.54	201.90
1-2 Years	4.76	1.23
Total	**147.30**	**203.13**

There are no projects as at 31 March 2024 where the project timelines are overdue.

Intangible assets under development

The following reflects the intangible assets under development movement during the years

(₹ in million):

Particulars	March 31, 2024	March 31, 2023
Opening balance as at	0.24	1.02
(+) Additions during the year	33.91	0.24
(-) Capitalized during the year	(0.24)	(1.02)
Closing balance as at	**33.91**	**0.24**

The following table represents Intangible assets under development ageing as at respective years:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Less than 1 year	33.91	0.24
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	-	-
Total	**33.91**	**0.24**

Project execution plans are modulated basis capacity requirement assessment on an annual basis and all the projects are executed as per rolling annual plan."

* Represents projects in progress. There are no projects which have been temporarily suspended.

28 EMPLOYEE BENEFITS EXPENSE

Defined contribution plan

During the year ended March 31, 2024 and year ended March 31, 2023 the Group contributed the following amounts to defined contribution plans:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Provident fund and Employees Family Pension Scheme	167.08	152.54
Employees' State Insurance Corporation	32.77	28.05
Total	**199.85**	**180.59**

Defined benefit plan

As per "The Payment of Gratuity Act, 1972", the Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets gratuity on departure at 15 days' salary (last drawn salary) for each completed year of service. The Group (other than Securitrans India Private Limited, where the scheme is managed on an unfunded basis) has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Group. Any deficit in the assets arising as a result of such valuations is funded by the Group.

The Group has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rate in particular, the significant fall in interest rates, which should result in an increase in liability without corresponding increase in the asset.

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

The following tables summaries the components of benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the gratuity plan of the Group.

Statement of Profit and Loss- Net employee benefits expense (recognised in employee cost)

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Current service cost	31.83	29.17
Net interest cost	15.39	11.41
Expenses recognised in the Statement of Profit and Loss	**47.22**	**40.57**

Net employee benefits expense (recognised in Other comprehensive income)

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Actuarial (losses) / gains		
- change in demographic assumptions	-	4.32
- change in financial assumptions	6.81	(8.82)
- experience variance (i.e., actual experience vs assumptions)	9.42	7.90
- Return on plan assets, excluding amount recognised in net interest expense	(0.41)	0.53
Components of defined benefit cost recognised in other comprehensive income	**15.81**	**3.93**

Balance Sheet

Details of net benefit obligation and fair value of plan assets:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Present value of obligation	231.54	226.46
Fair value of plan asset	(76.69)	(56.04)
Net liability	**154.86**	**170.42**

Changes in present value of obligation

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Present value of obligation at the beginning	226.46	215.58
Current service cost	-	27.02
Interest expense	16.85	14.76
Re-measurement (gain) / loss arising from		
- change in demographic assumptions	-	(4.32)
- change in financial assumptions	6.81	(8.82)
- experience variance (i.e actual experience vs assumptions)	9.42	7.90
Benefits paid	(27.99)	(25.64)
Present value of obligation at the end	**231.54**	**226.46**

Changes in the fair value of plan asset are as follows:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Fair value of plan assets at the beginning	56.05	48.98
Investment income	4.18	3.35
Employer's contribution	27.50	5.50
Benefits Paid	(11.45)	(1.25)
Re-measurement gain / (loss) arising from		
Return on plan assets, excluding amount recognised in net interest expense	0.41	(0.53)
Fair value of plan assets as at the end	**76.69**	**56.05**

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	March 31, 2024	March 31, 2023
Investment with insurer	100%	100%

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

Plan assets comprise the following :

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Equity securities	13.33	3.17
Debt	51.25	33.05
Total	**64.58**	**36.21**

The Group expects to contribute ₹ 10 million (March 31, 2023 - ₹ 5.00 million) to gratuity fund during the annual period beginning after balance sheet date.

The following is the maturity profile of the Group's defined benefit obligation:

Particulars	March 31, 2024	March 31, 2023
Weighted average duration (based on discounted cashflows)	8 to 11 years	7 to 12 years

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Group's expected cash flows over the future period (on undiscounted basis)		
1 year	20.37	20.08
2 to 5 years	89.78	78.48
6 to 10 years	118.45	103.57
More than 10 years	338.33	302.95

The principal assumptions used in determining gratuity benefit obligations for the Group's plan are shown below:

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.15%	7.45%
Salary Growth rate	5 to 6%	5 to 6%
Employee Attrition rate		
- Less than 5 years of service	26%	26%
- More than 5 years of service	5%	5%

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

A quantitative sensitivity analysis for the significant assumptions on defined benefit obligation as at March 31, 2024 is as shown below:

Particulars	March 31, 2024		March 31, 2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%)	24.92	(21.62)	21.26	(18.47)
(% change compared to base due to sensitivity)	9.57%	-8.30%	9.42%	-8.18%
Salary Growth Rate (-/+1%) (Amount in ₹ million)	(21.82)	24.72	(18.66)	21.11
(% change compared to base due to sensitivity)	-8.38%	9.49%	-8.27%	9.35%
Attrition Rate (-/+ 50% of attrition rates) (Amount in ₹ million)	(4.97)	2.98	(5.98)	3.91
(% change compared to base due to sensitivity)	-1.91%	1.14%	-2.65%	1.73%
Mortality Rate (-/+10% of Mortality rates) (Amount in ₹ million)	(0.12)	0.12	(0.11)	0.11
(% change compared to base due to sensitivity)	-0.04%	0.04%	-0.05%	0.05%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of reporting period.

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

Other long-term employee benefits

In accordance with its leave policy, the Group has provided for leave encashment on the basis of an actuarial valuation carried out by an independent actuary at the end of the year.

Amount of ₹ 30.08 million (March 31, 2023 ₹ 11.58 million) for Compensated absences is recognised as an expense and included in "Employee benefits expense" in the Statement of Profit and Loss. Accumulated non-current liability amount to ₹ 63.18 million (March 31, 2023 ₹ 56.49 million) and accumulated current liability amount to ₹ 24.53 million (March 31, 2023 ₹ 16.30 million).

29 LEASES

A. In case of assets taken on lease

The following is the break-up of current and non-current lease liabilities as at March 31, 2024 and March 31, 2023

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Current lease liabilities	527.42	505.33
Non-current lease liabilities	1,281.14	1,528.03
Total	**1,808.56**	**2,033.35**

The following is the movement in lease liabilities during the year ended March 31, 2024 and March 31, 2023

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Balance as at 01 April	2,033.37	1,928.28
Additions	231.54	525.70
Finance cost accrued during the year	162.10	184.46
Deletions	(78.32)	(81.96)
Lease rent concession	-	-
Payment of lease liability	(540.11)	(523.10)
Balance as at 31 March	**1,808.58**	**2,033.37**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 and March 31, 2023 on an undiscounted basis:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Less than one year	547.92	525.26
One to five years	1,485.98	1,730.79
More than five years	145.47	257.17
Total	**2,179.37**	**2,513.22**

The following is the movement in Right-of-use assets (which only consists of properties) during the year ended March 31, 2024 and March 31, 2023

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Balance as of 01 April	1,826.50	1,799.99
Additions during the year	231.54	525.70
Deletions during the year	(170.34)	(133.49)
Depreciation during the year (including Adjustments of accumulated depreciation on deletions)	(330.15)	(365.71)
Balance as at 31 March	**1,557.55**	**1,826.50**

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The weighted average incremental borrowing rate applied to lease liabilities is 8.5%.

The outflow on account of lease liabilities for the year ended March 31, 2024 is ₹ 540.11 million and March 31, 2023 is ₹ 523.10 million.

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

Group as lessor: lease receivables

The Group has entered into lease arrangement for its ATM management service business. These leases have terms ranging between five and seven years. Future minimum rentals receivable under non-cancellable operating leases are, as follows:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Within one year	1,207.40	1,127.03
After one year but not more than five years	3,195.34	3,732.51
More than five years	-	298.83
Total	**4,402.74**	**5,158.37**

During the year, the Group has recognised ₹ 1167.01 million (March 31, 2023 - ₹ 921.74 million) as income in relation to the above arrangements. These are reported under sale of services (refer note 18).

The following are the details of the fixed assets (consist of Plant and Machinery) given on lease:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Gross block value as at	1,737.01	1,569.85
Less: Accumulated Depreciation as at	(469.50)	(246.54)
Net block value as at	1,267.51	1,323.31
Depreciation for year	233.08	173.52

30 RELATED PARTY DISCLOSURES

Related party disclosures as required by notified Ind-AS 24 - "Related Party Disclosures" are given below:

a) Names of related parties and description of relationship:

Particulars	Name of the related party
1) **Related party where controls exist**	
Ultimate Holding Company	Baring Private Equity Asia GP VI Limited (upto June 13, 2023)
Parent of Holding Company	Baring Private Equity Asia VI Holdings Pte. Limited (upto June 13, 2023)
Entites under common control	Vault Co-Investment Vehicle L.P. (upto June 13, 2023)
Holding Company	Sion Investment Holdings Pte. Limited (upto June 13, 2023)
Subsidiary Companies and Trusts	CMS Securitas Limited
	Securitrans India Private Limited
	Quality Logistics Services Private Limited
	CMS Securitas Employees Welfare Trust
	CMS Marshall Limited (subsidiary of CMS Securitas Limited)
	Hemabh Technology Private Limited
	CMS Info Foundation (w.e.f. March 29, 2023)
2) Promoter Company	Sion Investment Holdings Pte. Limited
3) Key management personnel	**Executive Vice Chairman, Whole-time Director and CEO**
	Mr. Rajiv Kaul
	Chief Financial Officer
	Mr. Pankaj Khandelwal
	Non-executive Independent Director
	Mr. Tapan Ray
	Mrs. Manju Agarwal (upto March 1, 2024)
	Mrs. Sayali Karanjkar
	Non-executive Directors
	Mr. Ashish Agrawal (upto March 1, 2024)
	Mr. Krzysztof Wieslaw Jamroz
	Ms. Shyamala Gopinath
	Mr. Jimmy Lachmandas Mahtani
	Company Secretary
	Mr. Praveen Soni (upto September 30, 2023)
	Mr. Debashis Dey (w.e.f. October 25, 2023)

Notes to Consolidated Financial Statements

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b) Summary of transactions with the above related parties are as follows:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Remuneration to KMP (short-term employee benefits)		
Mr. Rajiv Kaul	130.08	113.59
Mr. Pankaj Khandelwal	20.38	18.75
Mr. Debashis Dey	3.24	-
Mr. Praveen Soni	2.53	2.73
Remuneration to Non-executive independent directors		
Mrs. Shyamala Gopinath	2.10	2.10
Mr. Krzysztof Wieslaw Jamroz	2.10	2.10
Mr. Tapan Ray	2.10	2.10
Mrs. Sayali Karanjkar	2.10	2.10
Mrs. Manju Agarwal	1.93	2.10
Employee stock option compensation cost		
Mr. Rajiv Kaul (refer note 39)	268.25	33.43
Mr. Pankaj Khandelwal	22.19	2.17
Sitting fees paid to Directors		
Mrs. Shyamala Gopinath	0.40	0.40
Mr. Tapan Ray	0.40	0.40
Mr. Krzysztof Wieslaw Jamroz	0.40	0.20
Mrs. Sayali Karanjkar	0.30	0.40
Mrs. Manju Agarwal	0.40	0.40

c) Summary of balance payable to the above related parties are as follows:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Remuneration payable to KMP		
Mr. Rajiv Kaul	(72.00)	(63.00)
Mr. Pankaj Khandelwal	(4.71)	(3.88)
Mr. Debashis Dey	(0.54)	-
Mr. Praveen Soni	(0.79)	(0.52)
Remuneration to Non-executive independent directors		
Mr. Tapan Ray	(2.10)	(2.10)
Mr. Krzysztof Wieslaw Jamroz	(1.40)	(1.40)
Mrs. Sayali Karanjkar	(0.53)	(0.53)
Mrs. Manju Agarwal	(0.35)	(0.53)
Mrs. Shyamala Gopinath	(0.53)	(0.53)
Sitting fees Payable to Directors		
Mrs. Shyamala Gopinath	(0.10)	(0.20)
Mrs. Sayali Karanjkar	(0.10)	(0.20)
Mrs. Manju Agarwal	(0.20)	(0.20)
Mr. Krzysztof Wieslaw Jamroz	(0.10)	(0.20)
Mr. Tapan Ray	(0.10)	(0.10)

Notes:

(i) As the future liability for gratuity and compensated absences is provided on an actuarial basis for the Group as a whole, the amount pertaining to KMP's is not ascertainable separately and, therefore not included above.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

31 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

a) Contingent liabilities:

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the Group not acknowledged as debt		
a) Disputed Customs matters*	47.88	92.65
b) Disputed VAT matters*	29.31	70.36
c) Disputed Excise matters*	69.03	69.03
d) Disputed CST matters *	0.26	2.14
e) Disputed GST matters *	4.64	0.84
f) Disputed Service tax matters *	193.38	2.74
g) Employee litigation matters**	32.09	17.57
h) Customer litigation matters	21.00	21.00
i) Disputed Income tax matter	118.33	118.33
	515.92	**394.65**

Notes:

*In relation to the matters of GST, Service tax, Customs duty, VAT, CST, Income tax, Excise matters and Employee litigation matters as listed above, the Group is contesting the demands from the respective Government Departments. The management believes that its position will likely be upheld in the appellate process. No expense has been accrued in the financial statements for these demand raised. The management believes that the ultimate outcome of these proceeding will not have a material adverse effect on the Group's financial position and results of operations. .

** These claims are filed by former employees of the Securitrans India Private Limited ("SIPL"), subsidiary of the Company and their representatives challenging the Company's compliance with various labour laws and for claiming damages in case of accidents suffered by them while performing duties for the Company. These matters are pending with various Labour Authorities and in relation to some of these cases, the Company is insured against the liability it may have to incur in relation to some of these matters. Based on the opinion from the respective lawyers and also the past trend in respect of such cases, the Company believes that it will receive favorable orders from Labour Authorities and hence there shall be no obligation requiring the Company to settle these claims by outflow of resources. Hence, the Company has not made any provision against such liability and has disclosed this as a contingent liability.

b) The Group has no Capital commitment for the year ended March 31, 2024 (March 31, 2023 ₹ Nil).

c) There has been a Supreme Court (SC) judgement dated 28th February 2019, relating to components of salary structure that needs to be taken into account while computing the contribution to provident fund under the EPF Act. The Group believes, based on legal opinion, that the liability if any, in practice would be from the date of order. Based on such opinion and pending clarification from PF authorities, the Group has recorded the cost prospectively from March 2019.

d) In addition to the above, there are certain civil claims against the Group. The Management is confident, that these will not have any material impact in the financial statement.

e) The Hon'ble National Company Law Tribunal ("NCLT") passed an order in the proceedings on December 5, 2023, wherein it has directed the board of directors of the Company to take employees of ATM & Cash Management Division of the Transferor Company, being CMS Securitas Limited, as their employees, provided such employees were working for ATM & Cash Management Division of the Transferor Company as on Appointed Date, and such employees also continued to remain in employment on the effective date of the Scheme approved by the Hon'ble Bombay High Court on October 25, 2010 and by the Hon'ble Delhi High Court on January 17, 2011. Management has appealed the order with the National Company Law Appellate Tribunal.

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32 TRADE PAYABLES

a) Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

The Group has ₹ 65.30 million (March 31, 2023 ₹ 51.74 million) dues outstanding to the micro and small enterprises as defined in Micro, Small and Medium Enterprise Development Act, 2006. The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the auditors.

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (as per the intimation received from vendors)	65.30	51.74
a. Principal and interest amount remaining unpaid	65.30	51.74
b. Interest paid by the Group in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
c. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
d. Interest accrued and remaining unpaid	-	-
e. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

b) Trade payables ageing Schedule

(₹ in million)

Particulars	Unbilled Dues	Trade payables which are not due	Outstanding for the following periods from the due dates of payments as at March 31, 2024				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	0.21	40.81	3.20	3.11	5.93	53.26
Others	1,410.41	95.20	1,750.67	623.11	15.76	69.57	3,964.73
Disputed - MSME	-	-	0.09	0.46	11.50	-	12.04
Disputed - Others	-	-	-	-	-	-	-
	1,410.41	95.41	1,791.56	626.77	30.37	75.51	4,030.03

(₹ in million)

Particulars	Unbilled Dues	Trade payables which are not due	Outstanding for the following periods from the due dates of payments as at March 31, 2023				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	21.36	6.54	14.95	3.06	-	45.90
Others	1,331.30	508.07	228.57	28.40	22.35	81.71	2,200.39
Disputed - MSME	-	-	-	-	-	5.84	5.84
Disputed - Others	-	-	-	-	-	-	-
	1,331.30	529.43	235.11	43.34	25.41	87.55	2,252.14

33 IMPAIRMENT TEST OF GOODWILL

Impairment test of Goodwill

Goodwill acquired through business combinations have indefinite lives. Out of the total Goodwill of the Group, the material amount of goodwill is allocated to the following:

a) ₹ 694.25 million (March 31, 2023: ₹ 694.25 million), relates to the Cash Management division of the Holding Company.

b) ₹ 1,147.52 million (March 31, 2023: ₹ 1,147.52 million), relates to one of the subsidiary- "Securitrans India Private Limited".

Notes to Consolidated Financial Statements
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c) ₹ 185.94 million (March 31, 2023: ₹ 185.94 million), relates to the acquisition of door step banking business from Checkmate Services Private Limited; also a part of Cash management business.

d) ₹ 27.14 million (March 31, 2023: ₹ 27.14 million), relates to one of the subsidiary - "Hemabh Technology Private Limited".

The Group performed its annual impairment test for the year ended March 31, 2024 and March 31, 2023 respectively . The Group considers the relationship between its value in use and its carrying value, among other factors, when reviewing for indicators of impairment.

The recoverable amount of the goodwill is determined based on value in use ('VIU') calculated using cash flow projections from financial budgets approved by management covering a period of five year period and the terminal value (after considering the relevant long-term growth rate) at the end of the said forecast periods. The Group has extrapolated cash flows beyond 5 years using a growth rate of 5% for the year ended March 31, 2024 (March 31, 2023: 5%). The pre-tax discount rate applied to the cash flow projections for impairment testing is 13.4% for March 31, 2024 (March 31, 2023: 13.4%).

The said cash flow projections are based on the senior management past experience as well as expected trends for the future periods. The calculation of weighted average cost of capital (WACC) is based on the group's estimated capital structure as relevant and attributable to the CGU. The WACC is also adjusted for specific risks, market risks and premium, and other inherent risks associated with similar type of investments to arrive at an approximation of the WACC of a comparable market participant. The said WACC being pre-tax discount rates reflecting specific risks relating to the relevant CGUs, are then applied to the above mentioned projections of the estimated future cash flows to arrive at the discounted cash flows.

The key assumptions used in the determination of VIU are the revenue annual growth rates and the EBITDA growth rate.

Based on the above assumptions and analysis, no impairment was identified as at March 31, 2024. Further, on the analysis of the said calculation's sensitivity to a reasonably possible change in any of the above mentioned key assumptions / parameters on which the Management has based determination of the CGU's recoverable amount, there are no scenarios identified by the Management wherein the carrying value could exceed its recoverable amount.

34 DETAILS OF ONGOING CSR PROJECTS UNDER SECTION 135(6) OF THE ACT

i) Details of corporate social responsibility expenditure

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
1. Amount required to be spent by the group during the year	67.05	52.48
2. Amount approved by the Board	67.05	52.48
3. Amount of expenditure incurred on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	45.77	40.58
4. Shortfall at the end of the year	21.28	10.25
5. Total of previous years shortfall	-	-
6. Reason for shortfall	Due to Project span being 2-3 years	Due to Project span being 2-3 years
7. Nature of CSR activities	Livelihood Support, Environment and Health Care, Integrated village development, Relief fund	Livelihood support, Enviournment and Health care, Integrated village development, Relief Fund

Notes to Consolidated Financial Statements
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ii) Details of unspent obligations

As per Section 135 of the Act, a CSR committee has been formed by the Group. The funds are utilised throughout the year on activities which are specified in Schedule VII of the Act. Gross amount required to be spent by the group during the year is ₹ 67.05 million (March 31, 2023 ₹ 52.48 million).

Balance as at April 1, 2023		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2024	
With the Group	In Separate CSR Unspent Account		From the Group's Bank Account	From Separate CSR Unspent Account	With the Group	In Separate CSR Unspent Account
-	10.25	67.05	45.77	10.25	-	21.28

Balance as at April 1, 2022		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2023	
With the Group	In Separate CSR Unspent Account		From The Group's Bank Account	From Separate CSR Unspent Account	With the Group	In Separate CSR Unspent Account
(1.64)	-	52.48	40.58	10.25	-	10.25

35 FOREIGN CURRENCY EXPOSURE

The Group does not use forward exchange contracts to hedge its foreign exchange exposure relating to the underlying transactions in accordance with its forex policy. The Group does not use foreign exchange forward contracts for trading or speculation purposes.

Unhedge Foreign Currency exposure outstanding as at March 31, 2024 and March 31, 2023 is:

Currency Type	March 31, 2024		March 31, 2023	
	Amount in foreign currency	Amount in ₹ million	Amount in foreign currency	Amount in ₹ millon
USD	$ 203,914.00	17.01	$ 707,470.38	58.10

36 FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities.

Quantitative disclosures fair value measurement hierarchy as at March 31, 2024

Particulars	March 31, 2024				
	Cost	Fair value	Level 1	Level 2	Level 3
Assets measured at fair value					
FVTPL financial investments	-	-	-	-	-
Investment in quoted mutual funds units	3,630.47	3,694.35	-	3,694.35	-

Quantitative disclosures fair value measurement hierarchy as at March 31, 2023

Particulars	March 31, 2023				
	Cost	Fair value	Level 1	Level 2	Level 3
Assets measured at fair value					
FVTPL financial investments	-	-	-	-	-
Investment in quoted mutual fund units	2,077.26	2,094.22	-	2,094.22	-
Investment in unquoted equity shares	0.58	0.58	-	-	0.58

The fair value for the investments is arrived at with reference to the Net asset value (NAV) of the mutual fund unit as disclosed by the Asset Management Company.

The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables, and other current financial assets and financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further the difference between carrying amount and fair value of insurance receivables, deposit measured at amortized cost is not significantly different in each of the year presented.

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

Break up of financial assets carried at amortized cost

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Trade receivables	4,595.77	2,923.87
Unbilled Revenue	2,601.36	2,336.16
Investment at amortized cost	1,157.00	697.63
Cash and cash equivalents	1,590.08	963.14
Other bank balances	1,080.06	599.38
Other financial assets	579.32	348.43
Total financial assets carried at amortized cost	**11,603.59**	**7,868.60**

Break up of financial liabilities carried at amortized cost

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Trade payables	4,030.03	2,252.14
Lease liabilities	1,808.56	2,033.36
Other financial liabilities	596.69	597.35
Total financial liabilities carried at amortized cost	**6,435.28**	**4,882.86**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in force or liquidation sale.

37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group has exposure to the following risks arising from financial instruments :-

- credit risk;
- liquidity risk; and
- market risk

(i) Risk Management Framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to effect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to audit committee.

(ii) Credit Risk

Credit risk is the risk of financial loss to the Group if a customers failes to meet its obligations under a financial instrument or customer contract, leading to a financial loss. The carrying amount of financial assets and contract assets represents the maximum credit exposure. The Group is exposed to credit risk from its operating activities (primarily trade receivables and claims receivables).

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

Trade receivables

Customer credit risk is managed by the Group's established policy. To minimize the risk from the counter parties the Group enters into financial transaction with counter parties who are major names in the industry.

A significant risk in respect of receivables is related to the default risk and credit risk. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are Grouped into homogenous Groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of receivables disclosed in Note 11. The Group does not hold collateral as security.

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations. Trade receivables concentration of credit risk with respect to trade receivables are limited, due to the Group's customer base being large and diverse.

The following table provides information about the ageing of gross carrying amount of trade receivables as at March 31, 2024

(₹ in million)

Particulars	Unbilled Revenue	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	2,601.36	2,486.54	2,006.70	883.75	191.90	47.81	9.04	8,227.10
(ii) Undisputed Trade Receivables -which have significant increase in credit risk		-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables -credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	11.34	44.36	55.70
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	11.34	225.73	237.07
Total	2,601.36	2,486.54	2,006.70	883.75	191.90	70.49	279.13	8,519.87
Less : Loss allowance								(1,322.74)
Total Trade Receivables								**7,197.13**

The following table provides information about the ageing of gross carrying amount of trade receivables as at March 31, 2023

(₹ in million)

Particulars	Unbilled Revenue	Not due	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	2,336.16	1,497.54	1,519.55	678.98	112.39	61.46	89.54	6,295.62
(ii) Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables -credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	10.25	15.65	29.77	55.67
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	10.25	15.65	211.17	237.07
Total	2,336.16	1,497.54	1,519.55	678.98	132.89	92.76	330.48	6,588.36
Less : Loss allowance								(1,328.33)
Total Trade Receivable								**5,260.03**

Notes to Consolidated Financial Statements
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37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Movement in allowance of impairment in respect of trade receivables and contract assets during the year was as below :

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Balance as at April 01	1,328.33	934.62
Amounts written back	(316.49)	(453.95)
Net re-measurement of loss allowances	310.90	847.66
Balance as at March 31	**1,322.74**	**1,328.33**

Other receivables

Security deposits are interest free deposits given by the group for properties taken on Lease. Provision is taken on a case to case basis depending on circumstances with respect to non-recoverability of the amount. The gross carrying amount of Security deposit is ₹ 116.95 million as at March 31, 2024 and ₹ 125.76 million as at March 31, 2023.

Other financial asset includes claims receivable and other receivables (refer note 7). Provision is made where there is significant increase in credit risk of the asset.

Movement in allowance of impairment in respect of other receivables (including insurance claims) during the year was as below :

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Balance as at April 01	61.78	81.05
Amounts written off (Net of reversals)	(4.75)	(17.23)
Provision written back	(7.00)	(5.74)
Net re-measurement of loss allowances	-	3.70
Balance as at March 31	**50.03**	**61.78**

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Management monitors rolling forecasts of the Group's liquidity position on the basis of expected cash flows. This monitoring includes review of financial ratios and takes into account the accessibility of cash and cash equivalents.

The Group has sufficient current assets comprising of Trade Receivables, Cash and Cash Equivalents, Investment in Mutual Funds, Other Bank Balances (other than restricted balances), Loans, Inventories and Other Current Financial Assets to manage the liquidity risk, if any in relation to current financial liabilities.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit, working capital , demand loan and bank loans. The Group has access to a sufficient variety of sources of funding. The table below provides details regarding the contractual maturities of significant financial liabilities as at year end.

(₹ in million)

Particulars	March 31, 2024				
	On demand	Within 12 months	1 to 5 years	Above 5 years	Total
Trade and other payables	-	3,297.38	732.65	-	4,030.03
Lease Liabilities (undiscounted)	-	547.92	1,485.98	145.47	2,179.37
Other financial liabilities	-	596.69	-	-	596.69
Total	**-**	**4,442.00**	**2,218.63**	**145.47**	**6,806.09**

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Particulars	March 31, 2023				
	On demand	Within 12 months	1 to 5 years	Above 5 years	Total
Trade and other payables	-	2,095.84	156.30	-	2,252.14
Lease liabilities (undiscounted)		505.33	1,730.79	257.17	2,493.29
Other financial liabilities	-	597.35	-	-	597.35
Total	-	**3,198.52**	**1,887.09**	**257.17**	**5,342.78**

(iv) Market risk

Market risk is the risk that's changes in the market prices - eg. Foreign exchange rates, interest rates and equity prices, will effect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the returns.

a) **Currency Risk**

Currency risk is not material, as the Group's primary business activities are within India and does not have significant exposure in foreign currency.

b) **Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments is as follows:

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Financial Liabilities		
Variable rate instruments	-	-
Fixed rate instruments	-	-
Financial Assets		
Variable rate instruments	3,694.35	2,094.22
Fixed rate instruments	-	-

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximize the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents. In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. The Group does not have any loans outstanding as at March 31, 2024 and March 31, 2023. It has taken adequate credit facilities from various banks to maintain its liquidity.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

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38 SEGMENT INFORMATION

The operating segment is the level at which discrete financial information is available. Business segments are identified considering:

a) the nature of products and services

b) the differing risks and returns

c) the internal organisations and management structure and

d) the internal financial reporting systems.

Revenue and expenses directly attributable to segments are reported under each reportable segments. Exceptional items and other expenses which are not attributable or allocable to segments are disclosed seperately.

Business segments

Assets and liablities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable assets and liabilities.

a) Cash management services provides ATM cash management services, Retail cash management services, Cash in transit services for banks and other related services.

b) Managed services division includes banking automation product deployment and AMC, Brown Label ATMs and managed services for banks, Software solutions including multi-vendor software and automation solutions and Remote monitoring Technology solutions.

c) Card division includes revenue from trading in card and card personalization services.

The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Management committee

(₹ in million)

Sr. No	Particulars	Year ended	
		March 31, 2024	March 31, 2023
I	**Segment Revenue**		
	Cash Management services	14,744.23	13,262.80
	Managed Services	7,962.97	6,111.27
	Cards	893.51	469.24
	Less: Inter-segment Sales	953.94	696.03
	Total Segment Revenue	**22,646.77**	**19,147.29**
II	**Segment Results**		
	Cash Management services	3,850.97	3,363.14
	Managed Services	1,445.19	1,211.12
	Cards	128.87	32.36
	Total Segment Results	**5,425.03**	**4,606.61**
	Less: Unallocated corporate expenses	932.49	547.55
	Profit from continuing operations before other Income, Finance costs/ Income and tax	**4,492.54**	**4,059.06**
	Add: Other income	340.15	147.17
	Less: Finance costs	162.10	196.15
	Profit before tax	4,670.59	4,010.09
	Less: tax expenses	1,199.18	1,037.81
	Profit after tax attributable to equity shareholders	3,471.41	2,972.28

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(₹ in million)

Sr. No	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
III	**Segment Assets**		
	Cash Management services	9,126.26	8,294.32
	Managed Services	8,469.53	7,118.33
	Cards	293.12	261.28
	Unallocated corporate assets	8,696.33	5,338.28
	Total Segment Assets	**26,585.24**	**21,012.22**
IV	**Segment Liabilities**		
	Cash Management services	2,595.08	2,433.14
	Managed Services	3,925.64	2,494.69
	Cards	108.08	53.87
	Unallocated corporate Liabilities	488.76	405.99
	Total Segment Liabilities	**7,117.56**	**5,387.69**

Information about major customers

a) Revenue for the peiod ended March 31, 2024 includes revenue from two customer of the Group relating to Cash management services and Managed service segments amounting to ₹ 4,922.30 million representing 22% and another customer amounting to ₹ 2,490.24 million representing 11% of the Group's total revenue.

b) Revenue for the year ended March 31, 2023 includes revenue from two customer of the Group relating to Cash management services and Managed service segments amounting to ₹ 4,293.69 million representing 22% and another customer amounting to ₹ 2,477.32 million representing 13% of the Group's total revenue.

39 EMPLOYEE STOCK OPTIONS SCHEMES

The Holding company has granted stock options to its employees through its equity settled schemes referred to as Employee Stock Option Scheme 2023, Employee Stock Option Scheme 2016, CEO Stock Option Scheme 2016 and Management Scheme 2016. Following are details of the scheme:

Particulars	Employee Scheme 2023	Employee Scheme 2016	CEO Scheme	Management Scheme
Number of options reserved under the scheme	10,075,000	4,604,444	9,866,667	2,519,366
Number of option granted under the scheme	8,000,000	4,603,507	9,866,667	2,519,366

Following is the vesting period for grants during the year:

Vesting Period	Employee Scheme 2023		Employee Scheme 2016		CEO Scheme Time Based	Management Scheme Time Based
	Time Based	Performance Based	Time Based	Performance Based		
12 months from date of grant	12.50%	12.50%	25%	0.00%	100%	100%
21 months from date of grant	12.50%	12.50%	8.33%	16.67%	-	-
33 months from date of grant	12.50%	12.50%	8.33%	16.67%	-	-
45 months from date of grant	12.50%	12.50%	8.34%	16.66%	-	-

For options granted under Employee scheme 2016, 21st month vesting will be based on Group / business unit performance for the second financial year after the financial year in which the options have been granted and so on. The performance condition are assessed as non-market conditions.

For options granted under Employee scheme 2023, 12th month onward vesting will be based on Group / business unit performance for all financial year. The performance condition are assessed as non-market conditions.

The vested options can be exercised within 2 year of the date such options are vested. In any other liquidity event, the vested options can be exercised within such period as may be prescribed by the Board in this regard.

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The following table summarises the movement in stock options granted during the year:

Particulars	March 31, 2024				March 31, 2023		
	Employee scheme 2023	Employee scheme 2016	CEO Scheme	Management scheme	Employee scheme	CEO Scheme	Management scheme
Outstanding at the beginning of the year	-	2,203,429	5,866,667	2,519,366	3,169,160	5,866,667	2,519,366
Granted during the year (no. of options)	8,000,000	-	-	-	355,000	-	-
Forfeited / cancelled during the year	(120,000)	(112,500)	-	-	(73,400)	-	-
Exercised during the year	-	(1,076,180)	(4,766,667)	(2,519,366)	(1,247,331)	-	-
Expired during the year	-	-	-	-	-	-	-
Outstanding at the end of the year	**7,880,000**	**1,014,749**	**1,100,000**	**-**	**2,203,429**	**5,866,667**	**2,519,366**
Weighted average exersice price of Option							
Outstanding at the beginning of the year	-	166	123	165	140	123	165
Granted during the year	304	-	-	-	250	-	-
Outstanding at the end of the year	304	190	123	-	166	123	165
Weighted average price of the shares exercised during the year	-	141	123	165	125	-	-
Weighted average remaining contractual life (in years)	1.50	0.68	-	-	0.80	-	0.45

The Group has used Black Scholes option pricing model. The following tables list the inputs to the models used for Employee plan , CEO plan and management plan.

Particulars	March 31, 2024	March 31, 2023
Dividend yield (%)	1.50%	0%
Expected volatility (%)	28% - 30%	25% - 32%
Risk–free interest rate (%)	6.7% - 7.3%	4%
Expected life of share options (years)	3.7 years	3.7 years
Weighted average fair value per share on grant date (in ₹)	304	250

The expected life of the share options is based on current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome. The historical volatility is based on price volatility of listed companies in same or similar industry. The holding company has allotted employee stock options to some of its employees through its Employee Stock Option Scheme. During the year 232,500 (March 31, 2023: 73,400) stock options has expired and lapsed on account of employees left the organization. During the current year, reversal on account of such expired options is recognised in the profit and loss account aggregating to ₹ 8.07 million. The Company has recognised ₹ 365.55 million, (March 31, 2023 – ₹92.80 million) as employee benefit expense in relation to all the active options outstanding as at March 31,2024.

The CEO ESOP 2016, Employee ESOP 2016 and Management ESOP 2016 scheme has been modified, in which exercise period is extended by 1 (One) year as approved by the shareholders on December 28, 2022. This had resulted in an additional ESOP cost of ₹ 35.25 million for the year ended March 31, 2023.

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

40 ADDITIONAL INFORMATION TO BE DISCLOSED AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ALL ENTERPRISES CONSOLIDATED:

(₹ in million)

Particulars	March 31, 2024							
	Net assets i.e. total assets minus total liabilities		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
Parent	As a %	Amount	As a %	Amount	As a %	Amount	As a %	Amount
CMS Info Systems Limited	92%	18,891.30	89%	3,542.17	19%	(2.50)	89%	3,539.68
Subsidiaries/Trust								
Securitrans India Private Limited	7%	1,453.10	10%	386.10	29%	(3.70)	10%	382.40
CMS Securitas Limited	0%	38.22	0%	0.80	20%	(2.53)	0%	(1.74)
CMS Marshall Limited	0%	17.56	0%	4.71	32%	(4.16)	0%	0.55
Quality Logistics Services Private Limited	0%	(49.04)	-1%	(43.75)	0%	-	-1%	(43.75)
Hemabh Technology Private Limited	1%	136.15	2%	80.00	0%	-	2%	80.00
CMS Securitas Employees Welfare Trust	0%	20.07	0%	1.26	-	-	0%	1.26
CMS Info Foundation	**0%**	**0.01**	**0%**	**(0.09)**	**-**	**-**	**0%**	**(0.09)**

(₹ in million)

Particulars	March 31, 2023							
	Net assets i.e. total assets minus total liabilities		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
Parent	As a %	Amount	As a %	Amount	As a %	Amount	As a %	Amount
CMS Info Systems Limited	90%	14,967.11	88%	2,754.09	-55%	(2.28)	88%	2,751.80
Subsidiaries/Trust								
Securitrans India Private Limited	9%	1,570.50	9%	295.11	81%	3.34	10%	298.45
CMS Securitas Limited	0%	39.96	0%	3.58	47%	1.94	0%	5.52
CMS Marshall Limited	0%	17.01	0%	9.21	28%	1.15	0%	10.36
Quality Logistics Services Private Limited	0%	(5.29)	0%	(5.39)	0%	-	0%	(5.39)
Hemabh Technology Private Limited	0%	56.15	2%	64.69	0%	-	2%	64.69
CMS Securitas Employees Welfare Trust	0%	18.81	0%	1.16	-	-	0%	1.16

41 IND AS 115 REVENUE FROM CONTRACTS WITH CUSTOMERS

Sale of Product

The Group applies practical expedient in paragraph 121 of Ind AS 115 for all contract entered for sale of product and does not disclose information about remaining performance obligation that have original expected duration of one year or less.

Revenue for services

The Group applies practical expedient in paragraph 121 of Ind AS 115 for all contract entered for revenue from services, whereby it has right to receive consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date. Hence the Group does not disclose information of remaining performance obligation of such contracts.

Disaggregation of revenue from contract with customers

Revenue from sale of goods is recognised at point in time when control of the products being sold is transferred to our customer and Revenue from services is recognised over time as and when services are rendered. Revenue from contracts with customers is disaggregated by primary business units as given in the note 18.

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

Reconciliation of revenue recognised with contracted price

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Revenue as per Contracted Price	22,820.77	19,271.73
Reduction (Rebate/discount)	(174.00)	(124.43)
Revenue recognised as per the statement of profit and loss	22,646.77	19,147.30

Movement of Deferred Contract Liability (unearned revenue)

The deferred contract liability relates to the consideration received/receivable from customers, for which services have not been provided and revenue is deferred for the year.

(₹ in million)

Particulars	March 31, 2024	March 31, 2023
Opening Balance	41.15	56.19
i) Additions during the year (net)	165.78	41.15
ii) Income recongised during the year	(41.15)	(56.19)
Closing Balance	**165.78**	**41.15**

Revenue expected to be recognised in the future from Deferred Contract Liability:

(₹ in million)

Time Band	March 31, 2024	March 31, 2023
within 1 year	84.24	35.01
1 - 2 years	81.54	6.14
Total	**165.78**	**41.15**

There is no obligation for returns, refunds and other similar obligation as at March 31, 2024 and March 31, 2023

42 DISCLOSURE REQUIRED FOR QUARTERLY STATEMENT SUBMITTED WITH BANKS

For borrowings from banks or financial institutions on the basis of security of current assets, quarterly returns or quarterly statements of current assets filed by the Group with banks or financial institutions for the year ended March 31, 2024 and the year ended March 31, 2023 are in agreement with books of accounts.

43 DISCLOSURE REQUIRED UNDER RULE 11(e) OF THE COMPANIES RULES, 2014

a) The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Group or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

b) The Group has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

44 RELATIONSHIP WITH STRUCK OFF COMPANIES TRUCK OF COMPANIES

The Group have below mentioned transactions with struck off companies:

Sr. No.	Nature of Struck off Company	Nature of transactions	Transactions during the year	Balance outstanding as at March 31,2024	Relationship with the Struck off Company
1	INTEGRA MICRO SYSTEMS PVT. LTD.	Payable	0.12	-	Vendor
2	NIPRO INFOTECH PVT. LTD.	Payable	0.01	-	Vendor

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

45 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

46 UNDISCLOSED INCOME

a) The Group does not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

b) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

47 DIVIDEND

Dividends paid during the year ended March 31, 2024 include an amount of ₹4.75 per equity share towards final dividend for the year ended March 31, 2023 and an amount of ₹2.50 (March 31, 2023 ₹1.00) per equity share towards interim dividends (including special dividend) for the year ended March 31, 2024.

Dividends declared by the Company are based on the profit available for distribution. On May 15, 2024, the Board of Directors of the Company have proposed a final dividend of ₹3.25 per share in respect of the year ended March 31, 2024 subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 528.97 million and hence is not recognised as a liability as at the Balance Sheet date.

48 The above audited consolidated financial results of CMS Info Systems Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules thereunder and in terms of Regulation 33 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

49 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

50 ADDITIONAL DISCLOSURE REQUIRED BY SCHEDULE III (AMENDMENTS DATED MARCH 24, 2021) TO THE COMPANIES ACT, 2013

No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

a) Crypto Currency or Virtual Currency

b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder

c) Registration of charges or satisfaction with Registrar of Companies

d) Relating to borrowed funds:

   i. Wilful defaulter

   ii. Utilisation of borrowed funds & share premium

   iii. Borrowings obtained on the basis of security of current assets

   iv. Discrepancy in utilisation of borrowings

   v. Current maturity of long-term borrowings

e) Merger / amalgamation / reconstruction, etc.

f) Accounting ratios

51 SUBSEQUENT EVENTS

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Glenn D'souza
Partner
Membership No.: 112554

Place : Mumbai
Date : 15 May 2024

For and on behalf of the Board of Directors of
CMS Info Systems Limited
CIN: L45200MH2008PLC180479

Tapan Ray
Director
DIN: 00728682
Place : Gandhinagar

Rajiv Kaul
Executive Vice-chairman,
Whole-time Director and CEO
DIN: 02581313
Place : Mumbai

Pankaj Khandelwal
Chief Financial Officer
Place : Mumbai

Debashis Dey
Company Secretary
Place : Mumbai

FORM AOC-1

Statement containing salient features of the financial statement of Subsidaries/ Associate Companies/ Joint Ventures

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(₹ in Million)

Sr. No.	Particulars	1	2	3	4	5	6
1	Name of the subsidiary	Securitrans India Private Limited	CMS Securitas Limited	CMS Marshall Limited	Hemabh Technology Private Limited	Quality Logistics Services Private Limited	CMS Info Foundation
2	The date since when subsidiary was acquired	May 23, 2011	April 1, 2009	April 1, 2009	March 30, 2022	July 29, 2015	March 29, 2023
3	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	April 1, 2023 to March 31, 2024	April 1, 2023 to March 31, 2024	April 1, 2023 to March 31, 2024	April 1, 2023 to March 31, 2024	April 1, 2023 to March 31, 2024	April 1, 2023 to March 31, 2024
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA	NA	NA	NA	NA	NA
5	Share capital	13.25	9.50	0.50	43.86	0.10	0.10
6	Reserves & surplus	1439.85	28.72	17.06	92.28	(49.14)	(0.09)
7	Total assets	1818.14	155.11	313.30	172.16	42.02	0.16
8	Total liabilities	365.04	116.89	295.74	36.01	91.05	0.16
9	Investments (current)	335.36	Nil	Nil	Nil	Nil	Nil
10	Turnover	2182.78	279.68	1089.05	288.78	30.18	3.31
11	Profit before taxation	518.11	(0.78)	10.66	111.00	(58.47)	(0.09)
12	Provision for taxation	132.01	(1.58)	5.95	31.00	(14.71)	Nil
13	Profit after taxation	386.09	0.79	4.71	80.00	(43.75)	(0.09)
14	Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil
15	% of shareholding	100.00	100.00	100.00 (Step down subsidiary)	100.00	100.00	100.00

Notes:

1. Names of subsidiaries which are yet to commence operations – Nil
2. Names of subsidiaries which have been liquidated or sold during the year: Nil

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: NIL

For and on behalf of the Board of Directors of
CMS Info Systems Limited
CIN: L45200MH2008PLC180479

Tapan Ray	**Rajiv Kaul**	**Pankaj Khandelwal**	**Debashis Dey**
Director DIN: 00728682	Executive Vice-chairman, Whole-time Director and CEO DIN: 02581313	Chief Financial Officer	Company Secretary
Place : Gandhinagar	Place : Mumbai	Place : Mumbai	Place : Mumbai

Date : 15 May 2024

Notice of 17th Annual General Meeting

NOTICE IS HEREBY GIVEN THAT 17TH (SEVENTEENTH) ANNUAL GENERAL MEETING OF THE MEMBERS OF CMS INFO SYSTEMS LIMITED ("THE COMPANY"), WILL BE HELD ON TUESDAY, AUGUST 6, 2024 AT 03:00 P.M. (IST) THROUGH VIDEO CONFERENCING ("VC")/OTHER AUDIO-VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. Adoption of Audited Standalone and Consolidated Financial Statements

To receive, consider and adopt the:

a) Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024 together with the reports of the Board of Directors and Auditors thereon; and

b) Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 together with the report of the Auditors thereon.

2. Declaration of Dividend

To confirm interim dividend of ₹ 2.50 per fully paid equity share declared for financial year 2023-24 and to approve final dividend of ₹3.25 per fully paid equity share for the financial year ended March 31, 2024.

3. Re-appointment of Director retiring by rotation

To Re-appoint Mr. Krzysztof Wieslaw Jamroz (DIN: 07462321) as Director, who retires by rotation at this Annual General Meeting (AGM) and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. Ratification of Remuneration of Cost Auditors

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any of the Companies Act, 2013 and the Rules made thereunder (including any amendment(s), statutory modification(s) or any re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s S.K. Agarwal & Associates, Cost Accountants (Firm Registration No. 100322) appointed by Board of Directors as Cost Auditors to conduct the audit of the cost accounting records of the Company for the financial year ending March 31, 2025 amounting to ₹ 1.25 Lakhs (Rupees one lakh twenty five thousand only) plus applicable taxes and reimbursement of out of pocket expenses, in connection with the said audit, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution".

5. Reclassification of Authorized Share Capital and consequent alteration of Memorandum of Association of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions of Sections 13, 61, 64 and all other applicable provisions, if any, under the Companies Act, 2013, (including any amendment thereto or re-enactment thereof) the consent of the members be and is hereby accorded to reclassify the existing Authorized Share Capital of the Company from *'₹ 188,00,00,000 (Rupees One Hundred and Eighty Eight Crores) only divided into 17,30,00,000 (Seventeen Crores Thirty Lakhs) equity shares of ₹ 10/- (Rupees Ten) each and 15,00,000 (Fifteen Lakhs) 0.01 % Optionally Convertible Cumulative Redeemable Preference Shares of ₹ 100/- (Rupees One Hundred) each', to '₹ 188,00,00,000 (Rupees One Hundred and Eighty Eight Crores) only divided into 18,80,00,000 (Eighteen Crores Eighty Lakhs) equity shares of ₹ 10/- (Rupees Ten) each'.*

RESOLVED FURTHER THAT the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new Clause V as under:

V. *The Authorized Share Capital of the Company is ₹ 188,00,00,000 (Rupees One Hundred and Eighty Eight Crores) only divided into 18,80,00,000 (Eighteen Crores Eighty Lakhs) equity shares of ₹ 10/- (Rupees Ten) each, with all rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company, with the power to the Board to increase or reduce the Capital of the Company and to divide or* *consolidate the shares in the Capital for the time being into several classes in such manner as may be permitted by the Act and as may be determined by or in accordance with the Articles of Association of the Company.*

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary of the Company be and are hereby authorized severally to take all such steps and actions for the purpose of making all such filings and registrations as may be required in relation to the aforesaid amendment to the Memorandum of Association and further to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution ."

6. Alteration of Articles of Association of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

RESOLVED THAT pursuant to Section 5, 14 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof for the time being in force), consent of the shareholders of the Company be and is hereby accorded for the modification, substitution, addition and deletion in the Articles of Association of the Company as follows:

Article No.	Existing Article	Revised Article/ proposed action
1.	The Regulations contained in Table 'F' in the Schedule I of the Companies Act, 2013 shall not apply to this Company.	The Regulations contained in Table 'F' in the Schedule I of the Companies Act, 2013 shall not apply to this Company, except in regard to matters not specifically provided in these Articles.
4.	(i) "Sion" shall mean Sion Investment Holdings Pte. Limited.	Deleted
4.	Sub-clause (j), (k), (l)	Re-numbered as sub-clause (i), (j) and (k)
52	(b) Notwithstanding anything contained in these Articles, Sion shall have the right to nominate two Directors on the Board and the directors nominated by Sion shall be non-executive directors who may or may not be required to retire by rotation as per applicable provisions, till such time Sion is a Shareholder. Sion shall have the power, by serving a notice in writing upon the Company, to withdraw or replace such nominee directors of Sion.	Deleted
52	(c) subject to (a) and (b), the Company shall have the power to appoint directors in accordance with applicable law.	(b) subject to (a), the Company shall have the power to appoint directors in accordance with applicable law.
	Sub-clause (d)	Renumbered as sub-clause (c).
81	The Board shall provide for the Common Seal and its safe custody, and may, by authority of a resolution passed by it, provide for the common seal to be transported from the registered office of the Company to any other place in India for affixation to any instrument, in accordance with the Act and these Articles.	The Board may provide for a Common Seal of the Company ('Seal') and its safe custody, and may, by authority of a resolution passed by it, provide for the Seal to be transported from the registered office of the Company to any other place in India for affixation to any instrument, in accordance with the Act and these Articles. The Board shall also have power from time to time to destroy the same and substitute a new Seal in lieu thereof.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary of the Company be and are hereby authorized severally to take all such steps and actions for the purpose of making all such filings and registrations as may be required in relation to the aforesaid amendment to the Articles of Association and further to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

By order of the Board of Directors
For CMS Info Systems Limited

Sd/-
Debashis Dey
Company Secretary

Place: Mumbai
Date: May 15, 2024

Registered Office:
T-151, 5th Floor, Sector 11,
Tower No. 10, Railway Station Complex,
CBD Belapur, Navi Mumbai - 400 614
Maharashtra

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act') in respect of item nos. 4 to 6 is annexed hereto and forms part of this Notice. Further, the statement pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations'), providing details of Director proposed to be re-appointed at the AGM is provided in '**Annexure A**' to the Notice.

2. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Shareholders. All documents referred to in the Notice and Explanatory Statement will also be available for electronic inspection without any fee by the Shareholders from the date of circulation of this Notice up to the date of the AGM. Shareholders seeking to inspect such documents or seeking any information with regard to the accounts or any matter to be placed at the AGM can send an e-mail to company.secretary@cms.com.

3. The Ministry of Corporate Affairs ("MCA") has, vide its General Circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 21/2021 dated December 14, 2021, 02/2022 dated May 5, 2022, 10/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023 in relation to "Clarification on holding of Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company has been convened to be held through VC/OAVM. The meeting shall be deemed to be held at the Registered Office of the Company at T-151, 5th Floor, Sector 11, Tower No. 10, Railway Station Complex, CBD Belapur, Navi Mumbai - 400614 Maharashtra. Participation of shareholders through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per the Act.

4. In compliance with the provisions of Sections 101, 108 and 136 of the Act read with relevant Rules made thereunder and the aforesaid MCA Circulars and SEBI Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/ CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/ PoD-2/P/CIR2023/4 dated January 5, 2023 and SEBI/HO/DDHS/P/CIR/2023/0164 dated October 6, 2023, Notice of the AGM along with the Annual Report for FY24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Members may note that the Notice and Annual Report for FY24 will also be available on the Company's website www.cms.com, websites of the Stock Exchanges i.e. the BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL https://www.evoting.nsdl.com. In case any member requires physical copy of Annual Report and AGM Notice for the FY2023-24, he/she may send a request to the Company at company.secretary@cms.com.

5. The Voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. **Tuesday, July 30, 2024**.

6. The Company has engaged the services of National Securities Depository Limited ("NSDL") for providing the facility for remote e-voting, for participation in the AGM through VC/OAVM and for e-voting during the AGM.

7. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.

8. Pursuant to Section 112 and Section 113 of the Act, Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of its Board or Governing Body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting to the Company at company.secretary@cms.com with a copy marked to evoting@nsdl.com.

9. Since the AGM will be held through VC/OAVM, the route map is not annexed to the AGM Notice.

10. Members who would like to express their views or ask questions during the AGM may send an e-mail from their registered e-mail address mentioning their name, DP ID and Client ID, PAN and Mobile number at company.secretary@cms.com between Wednesday, July 31, 2024 and

Sunday, August 4, 2024. Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Management reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

11. Members who have questions but do not wish to speak may send their questions in advance mentioning their name, demat account number/ folio number, e-mail id, mobile number at company.secretary@cms.com . The same will be replied by the Company suitably.

12. To protect the environment and enable all communication with the Company promptly, members who have not registered their E-mail ID so far are encouraged to register the same for receiving all the communications including Annual Reports, Notices etc. electronically. The Members may update their e-mail address through their respective Depository Participants (DP) or (temporarily for the purpose of this AGM) by writing to company.secretary@cms.com, along with the details such as Name, DP ID, Client ID, folio number, self-attested PAN card copy, mobile number and e-mail id to be able to receive the Notice of the AGM and Annual Report along with voting instructions, login ID and password for remote e-Voting and to cast their votes.

13. With respect to the payment of Dividend, the Company shall provide the facility of remittance of Dividend amount electronically through National Automated Clearing House (NACH) to all eligible Members. To enable the Company to remit dividend correctly, Members are requested to provide/update details of their bank accounts with their DP by indicating the name of the Bank, Branch, Account number, nine-digit MICR code and IFSC code (as appearing on the cheque) along with photocopy of the cheque/cancelled cheque.

14. Members are requested to intimate all changes pertaining to their bank details, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., directly to your respective Depository Participants ('DP'). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agent, Link Intime India Private Limited.

15. NRI Members are requested to:

    a) change their residential status on return to India permanently;

    b) furnish particulars of bank account(s) maintained in India with complete name, branch, account type, IFSC code, MICR code, Account number and Address of the Bank with PIN Code no. (through their DP), if not furnished earlier.

16. Final dividend for the financial year ended March 31, 2024, as recommended by the Board of Directors, if approved by the members at the AGM, will be paid on or after Tuesday, August 6, 2024, to those members whose names appear on the Register of Members of the Company or Register of Beneficial Owners maintained by the Depositories as on **Tuesday, May 28, 2024**.

17. Pursuant to the Income Tax Act, 1961 ("IT Act"), dividends paid or distributed by the Company shall be taxable in the hands of the shareholders and the Company shall be required to deduct tax at source (TDS) at the prescribed rates from the dividend amount to be paid to the shareholders, subject to approval of shareholders in the ensuing AGM. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof.

    A separate e-mail communication will be sent to shareholders informing the relevant procedure to be adopted by them/documents to be submitted for availing the applicable tax rate. The said communication and draft of the exemption forms and other documents will be available on the Company's website at www.cms.com. The members should send the scanned copies of the requisite documents to Link Intime (India) Private Limited at C-101, Embassy 247, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083.

18. Members who have not yet encashed their dividends declared by the Company earlier are requested to contact the Company for revalidation of the warrants without any delay. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Accordingly, pursuant to Section 124 of the Companies Act, 2013, the unpaid dividend that will become due for transfer to the Investor Education and Protection Fund (IEPF) are as follows:

Financial Year ended	Tentative Due Date of Transfer
FY22	
Final Dividend (15th AGM)	23/10/2029
FY23	
Final Dividend (16th AGM)	09/10/2030
FY24	
Interim Dividend	25/02/2031

In accordance with Section 124 (6) of the Act read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), if a member does not claim the dividend amount for a consecutive period of 7 (seven) years or more, then the shares held by him/her shall also be transferred to the designated Demat Account of IEPF Authority. The Unclaimed or Unpaid Dividend which have been transferred or the shares which were transferred can be claimed back by the Members from IEPF Authority by following the procedure given on its website i.e. http://iepf.gov.in/IEPF/refund.html. Both unclaimed dividend amount and the shares transferred can be claimed from the IEPF Authority by making an online application in the prescribed form "IEPF-5" available on http://iepf.gov.in/IEPF/refund.html duly signed along with requisite documents to the Company at the above-mentioned address for verification of the claim. The Company Secretary acts as the Nodal Officer for IEPF matters.

20. M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No.: 101248W/W-100022) were re-appointed as Statutory Auditors of the Company at the Sixteenth Annual General Meeting of the Company held on September 6, 2023 for a term of 5 (five) years commencing from the conclusion of Sixteenth Annual General Meeting till the conclusion of Twenty First Annual General Meeting of the Company to be held in the year 2028, on such terms and remuneration as may be determined by the Audit Committee in consultation with the Statutory Auditors. Consequently, M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No.: 101248W/W-100022), continues to be the Statutory Auditors of the Company till conclusion of Twenty First Annual General Meeting of the Company.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on **Saturday, August 3, 2024 at 9.00 AM (IST)** and ends on **Monday, August 5, 2024 at 5 PM (IST)**. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, July 30, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual members holding equity shares of the Company in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail Id in their demat accounts in order to access e-Voting facility.

Login method for Individual Shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with **NSDL**.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** Section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see **'e-Voting services'** under **'Value added services'**. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name **CMS Info Systems Limited** or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the AGM. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "**Login**" which is available under "**Shareholder/Member**" Section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name **CMS Info Systems Limited** or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the AGM. 4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with **CDSL**	1. Existing users who have opted for Easi / Easiest, can login through their User ID and Password. Option is available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are requested to visit CDSL website https://web.cdslindia.com/myeasitoken/home/login. 2. After successful login of Easi/Easiest the user will also be able to see the e-Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is also available at https://web.cdslindia.com/myeasitoken/home/login. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & E-mail as recorded in the demat Account. After successful authentication, user will be able to see the e-voting options where the remote e-voting is in progress and also be able to directly access the system of all e-voting service providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	1. Individual Shareholders can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. Upon logging in, you will be able to see e-Voting option. 3. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 4. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & e-voting during the meeting.

Important note: Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at the above-mentioned website.

Helpdesk for Individual Shareholders for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Shareholder facing any technical issue in login, can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at +91 22 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login, can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free number 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for Shareholders other than Individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode.

1. Visit the e-Voting website of NSDL Open web browser by typing the following URL: https://www.evoting nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' Section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

4. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

5. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL)	Your User ID is:
a) For Shareholders who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Shareholders who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************

6. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your e-mail ID is registered in your demat account, your 'initial password' may have been communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account. The .pdf file contains your '**User ID**' and your '**initial password**'.

      (ii) If your e-mail ID is not registered, please follow steps mentioned below in process for those shareholders whose e-mail ids are not registered.

7. If you are unable to retrieve or have not received the **"Initial password"** or have forgotten your password:

   a) Click on

      - **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   c) Shareholders can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

8. After entering your password, tick on Agree to **"Terms and Conditions"** by selecting on the check box.

9. Now, you will have to click on **"Login"** button.

10. After you click on the **"Login"** button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join Annual General Meeting on NSDL e-Voting system.

1. After successful login at **Step 1**, you will be able to see all the Companies "EVEN" in which you are holding shares and whose voting cycle and Annual General Meeting is in active status.

2. Select EVEN of **CMS Info Systems Limited i.e. 129001** for joining meeting virtually, you need to click on "VC/OAVM" link placed under "Join Annual General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. 'Assent' or 'Dissent', verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to siroyam@gmail.com with a copy marked to evoting@nsdl.com.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download Section of www.evoting.nsdl.com or call on +91 22 4886 7000 or send a request at evoting@nsdl.com.

Process for those shareholders whose e-mail IDs are not registered with the Depositories for procuring User ID and password and registration of E-mail ID for e-voting for the resolutions set out in this Notice:

1. Please provide DPID-CLID (16 digit DP ID + Client ID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to company.secretary@cms.com. If you are an Individual shareholders holding securities in Demat mode, you are requested to refer to the login method explained at **Step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode.**
2. Alternatively, shareholder may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above-mentioned documents.
3. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and e-mail ID correctly in their Demat account in order to access e-Voting facility.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Shareholders, who will be present in the AGM through VC/OAVM facility and did not cast their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM.
3. Shareholders who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.

INSTRUCTIONS FOR SHAREHOLDERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Shareholders may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login on the date of the AGM, you can see link of VC / OAVM" placed under "Join Annual General Meeting" menu against Company name CMS Info Systems Ltd. You are requested to click on VC / OAVM link placed under "Join Annual General Meeting" menu. The link for VC / OAVM will be available in Shareholder/ Member login where the EVEN of CMS Info Systems Ltd. i.e. 129001 will be displayed. Please note that the Shareholders who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Shareholders are encouraged to join the Meeting through Laptops for better experience.
3. Further Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

23. Other instructions:

1. The Board of Directors have appointed CS Mukesh Siroya (ICSI Membership No. FCS 5682, CoP No. 4157), Proprietor, M/s. M Siroya & Company, Practicing Company Secretaries, Mumbai, and failing him CS Bhavyata Raval Acharya (ICSI Membership No. ACS: 25734; CoP: 21758), Partner, M/s. Siroya and BA Associates, Company Secretaries, as the Scrutinizer to scrutinize the remote e-voting and the e-voting process during the AGM in a fair and transparent manner.
2. The Scrutinizer shall immediately after the conclusion of e-voting at the AGM, unblock the votes cast through remote e-voting and e-voting at the AGM and shall submit, within two working days from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairperson or a person authorized by him in writing, who shall declare the result of the voting forthwith.

   The results declared along with the report of the scrutinizer shall be placed on the website of the Company www.cms.com and on the website of NSDL at www.evoting.nsdl.com immediately after the declaration of result. The Company shall simultaneously also submit the results to NSE and BSE where the shares of the Company are listed.
3. While the results on resolutions shall be declared on or after the AGM of the Company, the resolutions will be deemed to have been passed on the AGM date subject to receipt of requisite number of votes in favor of the resolutions.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESSES PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

Ratification of Remuneration of Cost Auditors

Pursuant to sub-Section (1) of Section 148 of the Act read with rule (3) of the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain the particulars relating to the utilization of material or labor and other items of cost pertaining to its Banking Automation i.e. ATM's & Kiosks Manufacturing business, by including the same in the Books of Account of the Company. However, since the Company's Manufacturing segment is in its nascent stage, the requirement for audit of the Cost Records of the Company as prescribed under sub-Section (2) of Section 148 of the Act read with rule (4) of the Companies (Cost Records and Audit) Rules, 2014, is not applicable to the Company.

Notwithstanding the above and with an object to set up a robust cost record maintenance system in anticipation of expansion in the manufacturing business in the future, the Board of Directors on the recommendation of the Audit Committee, have re-appointed M/s. S K Agarwal & Associates, Cost Accountants, Mumbai having Firm Registration No. 100322 for conducting the audit of Cost Accounting records maintained by the Company for FY25, at a remuneration of ₹ 1.25 lakhs plus reimbursement for out of pocket expenses and applicable taxes. M/s. S K Agarwal, Cost Accountants, have conveyed their willingness to act as Cost Auditors of the Company for the financial year ending March 31, 2025 and have informed the Company that their appointment, if made, will be within the limits provided in Section 141(3)(g) or any other applicable provisions of Companies Act, 2013.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors is also required to be ratified by the Shareholders. Accordingly, the consent of the Shareholders of the Company is sought to ratify the remuneration payable to the Cost Auditors for the Financial Year ending March 31, 2025.

The Board of Directors recommends the Ordinary Resolution set out at item no. 4 of the accompanying Notice for the approval of the Shareholders of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at item no. 4 of this Notice.

ITEM NO. 5

Reclassification of Authorized Share Capital and consequent Alteration of Memorandum of Association of the Company.

The existing Authorized Share Capital of the Company is ₹ 188,00,00,000 (Rupees One Hundred and Eighty-Eight Crores) only divided into 17,30,00,000 (Seventeen Crores Thirty Lakhs) equity shares of ₹ 10/- (Rupees Ten) each and 15,00,000 (Fifteen Lakhs) 0.01 % Optionally Convertible Cumulative Redeemable Preference Shares of ₹ 100/- (Rupees One Hundred) each.

The Company does not have any outstanding Preference Shares and presently there are no proposals for further issuance of Preference share capital by the Company. Accordingly, it is proposed to re-classify the 15,00,000 (Fifteen Lakhs) 0.01 % Optionally Convertible Cumulative Redeemable Preference Shares of ₹ 100/- (Rupees One Hundred) each to additional 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of ₹ 10 each in the Authorized Share Capital of the Company to allow the Company to issue further equity shares, if necessary, to fund its organic and inorganic business growth plans.

Consequent to the above reclassification, the Authorized Capital of the Company shall become ₹ 188,00,00,000 (Rupees One Hundred and Eighty-Eight Crores) only divided into 18,80,00,000 (Eighteen Crores Eighty Lakhs) equity shares of ₹ 10/- (Rupees Ten) each.

The aforesaid alteration in the Authorized Share Capital will also require consequential amendment to the Capital Clause V of the Memorandum of Association of the Company.

Pursuant to Sections 13 and 14 of the Companies Act, 2013 ('the Act'), reclassification of the Authorized Share Capital and the consequent alteration of Capital Clause of the Memorandum of Association of the Company, requires approval of the Shareholders of the Company by way of a Special Resolution. Accordingly, the approval of the Shareholders is sought to reclassify the Authorized Share Capital as well as to consequently alter the Capital Clause V of the Memorandum of Association.

A draft copy of the amended Memorandum of Association is available for inspection by the Shareholders of the Company during the normal business hours on any working day of the Company, up to the date of the Annual General Meeting.

Accordingly, the Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the Shareholders.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution, set out at Item No. 5 of this Notice of the Annual General Meeting.

ITEM NO. 6

Alteration of Articles of Association of the Company

It is proposed to amend various clauses of the Articles of Association of the Company for reasons as detailed below:

Article No.	Existing Article	Revised Article/ proposed action	Reason
1.	The Regulations contained in Table 'F' in the Schedule I of the Companies Act, 2013 shall not apply to this Company.	The Regulations contained in Table 'F' in the Schedule I of the Companies Act, 2013 shall not apply to this Company, except in regard to matters not specifically provided in these Articles.	To provide clarity.
4.	(i) "Sion" shall mean Sion Investment Holdings Pte. Limited.	Deleted	Sion Investment Holdings Pte. Limited, the Promoters of the Company have sold their entire stake in the Company. Consequently, they have lost all special authorities granted to them under the Articles and hence all references about them in the Articles are proposed to be deleted.
4.	Sub-clause (j), (k), (l)	Re-numbered as sub-clause (i), (j) and (k)	To align flow or articles consequent to the deletion of existing clause 4(i) as stated above.
52	(b) Notwithstanding anything contained in these Articles, Sion shall have the right to nominate two Directors on the Board and the directors nominated by Sion shall be non-executive directors who may or may not be required to retire by rotation as per applicable provisions, till such time Sion is a Shareholder. Sion shall have the power, by serving a notice in writing upon the Company, to withdraw or replace such nominee directors of Sion.	Deleted	Sion Investment Holdings Pte. Limited, the Promoters of the Company have sold their entire stake in the Company. Hence it is proposed to remove all special authorities which were granted to them under the Articles.
52	(c) subject to (a) and (b), the Company shall have the power to appoint directors in accordance with applicable law.	(b) subject to (a), the Company shall have the power to appoint directors in accordance with applicable law.	To align flow of articles consequent to deletion of existing clause 52(b) as stated above.
	Sub-clause (d)	Renumbered as sub-clause (c).	To align flow of articles consequent to deletion of existing clause 52(b) as stated above.
81	The Board shall provide for the common seal and its safe custody, and may, by authority of a resolution passed by it, provide for the common seal to be transported from the registered office of the Company to any other place in India for affixation to any instrument, in accordance with the Act and these Articles.	The Board may provide for a Common Seal of the Company ('Seal') and its safe custody, and may, by authority of a resolution passed by it, provide for the Seal to be transported from the registered office of the Company to any other place in India for affixation to any instrument, in accordance with the Act and these Articles. The Board shall also have power from time to time to destroy the same and substitute a new Seal in lieu thereof.	The requirement of Common Seal is proposed to be made optional as permitted under the Companies Act. 2013.

A draft copy of the amended Articles of Association is available for inspection by the Shareholders of the Company during the normal business hours on any working day of the Company, up to the date of the Annual General Meeting.

Pursuant to the Companies Act, 2013 ('the Act'), the proposed alterations to the Articles of Association of the Company, requires approval of the Shareholders of the Company by way of a Special Resolution. Accordingly, the approval of the Shareholders is sought to amend the Articles of Association in the manner detailed above.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the Shareholders.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution, set out at Item No. 6 of this Notice of the Annual General Meeting.

ANNEXURE - A TO THE NOTICE DATED MAY 15, 2024

Information of Director seeking re-appointment at the 17th Annual General Meeting

Name of the Director	Mr. Krzysztof Wieslaw Jamroz
DIN	07462321
Category	Non-executive Director
Brief Resume	Krzysztof Wieslaw Jamroz is a Non-executive Director of our Company. He has been associated with our Company in his capacity as Non-executive Director since August 10, 2021. He was previously associated with our Company as an Independent Director from March 11, 2016 and as the Chairman of the Board from August 19, 2017 till the cessation of his term on December 31, 2019. He holds a Bachelor's degree in Business Studies from Birmingham City University and a Master's degree in Business Administration from Schulich School of Business, York University, Canada. He has over 19 years of experience in the Logistics, Cash Management and Investment Banking. He presently serves as an Executive Chairman of the Board of Roadrunner Transportation Systems (RRTS) and Executive Chairman of Ascent Global Logistics. Previously, he was associated with Garda World Corporation as its Cash Services President and Chief Operating Officer and as head of JP Morgan's corporate finance practice in Canada. He serves as the governor of the Royal Ontario Museum ('ROM') and has received the ROM Donor of Merit Award. He is also the Chief Executive Officer of the Polish Chamber of Commerce in the United States of America.
Nature of expertise in specific functional areas and Experience	He has over 19 years of experience in the Logistics, Cash Management and Investment Banking.
Number of shares held in the Company	Nil
Terms of Re-appointment	As per the resolution set out in this Notice read with the Explanatory Statement hereto.
Remuneration (including sitting fees, if any) last drawn in financial year 2023-24	Sitting fees: ₹ 4.00 lakhs Commission: ₹ 21.00 lakhs
Remuneration proposed to be paid	He will be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in such meetings and profit related commission within the limits stipulated under Section 197 of the Companies Act, 2013.
Directorship held in other Listed entities	Nil
Directorship held in other entities (overseas)	Chairman - Roadrunner Transportation Systems (RRTS) and Executive Chairman - Ascent Global Logistics
Listed entities from which the Director has resigned in the past three years	Nil
Relationships between Directors *inter-se*	None
No. of Board Meetings attended during the year/ No. of Board Meetings held during the year	4/4

By order of the Board of Directors
For CMS Info Systems Limited

Sd/-
Debashis Dey
Company Secretary

Place: Mumbai
Date: May 15, 2024

Registered Office:
T-151, 5th Floor, Sector 11,
Tower No. 10, Railway Station Complex,
CBD Belapur, Navi Mumbai- 400 614
Maharashtra

Corporate Information

BOARD OF DIRECTORS

Mrs. Shyamala Gopinath
Chairperson and Non-executive Director

Mr. Rajiv Kaul
Executive Vice Chairman, Whole-time Director & CEO

Mr. Tapan Ray
Non-executive Independent Director

Ms. Sayali Karanjkar
Non-executive Independent Director

Mr. Jimmy Lachmandas Mahtani
Non-executive Director

Mr. Krzysztof Wieslaw Jamroz
Non-executive Director

CHIEF FINANCIAL OFFICER

Mr. Pankaj Khandelwal

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Debashis Dey

REGISTERED OFFICE

CMS Info Systems Ltd.,
T-151, 5th Floor Tower No. 10,
Railway Station Complex, Sector-11,
CBD Belapur, Navi Mumbai – 400614
022-48897400
Email id: contact@cms.com
Website: www.cms.com

CORPORATE OFFICE

Grand Hyatt Mumbai, Lobby level,
Off Western Express Highway,
Santacruz East, Mumbai – 400055

STATUTORY AUDITORS

B S R & Co. LLP
Chartered Accountants,
14th Floor, Central B Wing and North C Wing
Nesco IT Park 4, Nesco Center
Western Express Highway, Goregaon (East)
Mumbai – 400063, Maharashtra
Telephone: +91 22 6257 1000
E-mail: gdsouza1@bsraffiliates.com
Peer review number: 014196
Firm registration number: 101248W/W-100022

SECRETARIAL AUDITOR

M Siroya and Company
Company Secretaries
A-103, Samved Building (Madhukunj)
Near Ekta Bhoomi Gardens,
Rajendra Nagar, Borivali (East), Mumbai – 400066
Tel:+91 22 28706523
E-mail: siroyam@gmail.com
Website: www.msiroya.com

REGISTRAR AND TRANSFER AGENT

Link Intime India Private Limited
C-101, Embassy 247, L.B.S Marg,
Vikhroli (West), Mumbai 400 083,
Telephone: +91 22 4918 6200
Investor grievance e-mail: cmsinfo.ipo@linkintime.co.in
Website: www.linkintime.co.in
SEBI registration number: INR000004058

BANKERS

Axis Bank Limited
ICICI Bank Limited
IDBI Bank Limited
Kotak Mahindra Bank Limited
State Bank of India
Yes Bank Limited

COMMITTEES OF THE BOARD

Audit Committee

Mr. Tapan Ray (Chairperson)
Ms. Sayali Karanjkar (Member)
Mr. Krzysztof Wieslaw Jamroz (Member)

Nomination and remuneration committee

Mr. Tapan Ray (Chairperson)
Ms. Sayali Karanjkar (Member)
Mr. Jimmy Lachmandas Mahtani (Member)

Stakeholders' Relationship Committee

Mr. Tapan Ray (Chairperson)
Mrs. Shyamala Gopinath (Member)
Mr. Rajiv Kaul (Member)
Mr. Krzysztof Wieslaw Jamroz (Member)

Risk Management Committee

Mrs. Shyamala Gopinath (Chairperson)
Mr. Tapan Ray (Member)
Mr. Krzysztof Wieslaw Jamroz (Member)
Mr. Pankaj Khandelwal (Member)

Corporate Social Responsibility Committee

Mr. Rajiv Kaul (Chairperson)
Mrs. Shyamala Gopinath (Member)
Mr. Krzysztof Wieslaw Jamroz (Member)
Ms. Sayali Karanjkar (Member)

REGISTERED OFFICE

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