

CMSINFO/2208/008

August 30, 2022

To,
BSE Limited
Listing Department,
1st Floor, PJ Towers, Dalal Street,
Fort, Mumbai – 400 001
Scrip Code: 543441

To,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051
Symbol: CMSINFO

Sub: Submission of the Annual Report under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

Dear Sir/Madam,

In terms of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith Annual Report containing the Notice of the Annual General Meeting of the Company for the financial year ended March 31, 2022. The 15th Annual General Meeting (AGM) of the Company is scheduled on Wednesday, September 21, 2022, at 3.00 P.M. (IST) through Video Conference/Audio video means, in accordance with relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India (SEBI). The Annual Report containing the notice of the Annual General Meeting is being sent to shareholders through electronic mode and is also uploaded on the Company's website at <https://www.cms.com>.

This is for your information and records please.

Thanking you,

For CMS Info Systems Limited



CS Praveen Soni
Company Secretary & Compliance Officer
Membership No.: FCS 6495

Copy to:

To,
National Securities Depository Ltd.
Trade World, A Wing, 4th Floor,
Kamala Mills Compound,
Lower Parel,
Mumbai – 400013

To,
Central Depository Services Ltd.
Marathon Futurex, A-Wing,
25th Floor, NM Joshi Marg,
Lower Parel,
Mumbai – 400013

To,
Link Intime India Private Limited
C-101, 1st Floor, 247 Park, Lal
Bahadur Shastri Marg, Vikhroli
(West) Mumbai City
MH 400083

Connecting Commerce

Trust. Quality. Impact.



Performance Highlights

₹15,897 million
Revenue

₹2,240 million
Net profit

₹2,780 million*
Cash and Cash
Equivalents Balance

₹4,017 million
EBITDA

150,000+
Business points

23.4%
ROCE (post-tax)

₹11 trillion
Currency Handled
(+22% YoY)

32%
3-year PAT CAGR

64%
OCF/EBITDA

*includes Investments in Mutual Funds
FY22/period ending March 31, 2022

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Connecting Commerce

Trust. Quality. Impact.

Commerce and industry are the arteries through which the nation's economic lifeblood runs. As the world's fastest growing economy, the speed and volume of India's economic transactions fuels the economy, providing jobs, income and creating wealth and progress far beyond our own geographic borders. CMS is a critical part of the arterial systems that help to power the Indian economy.

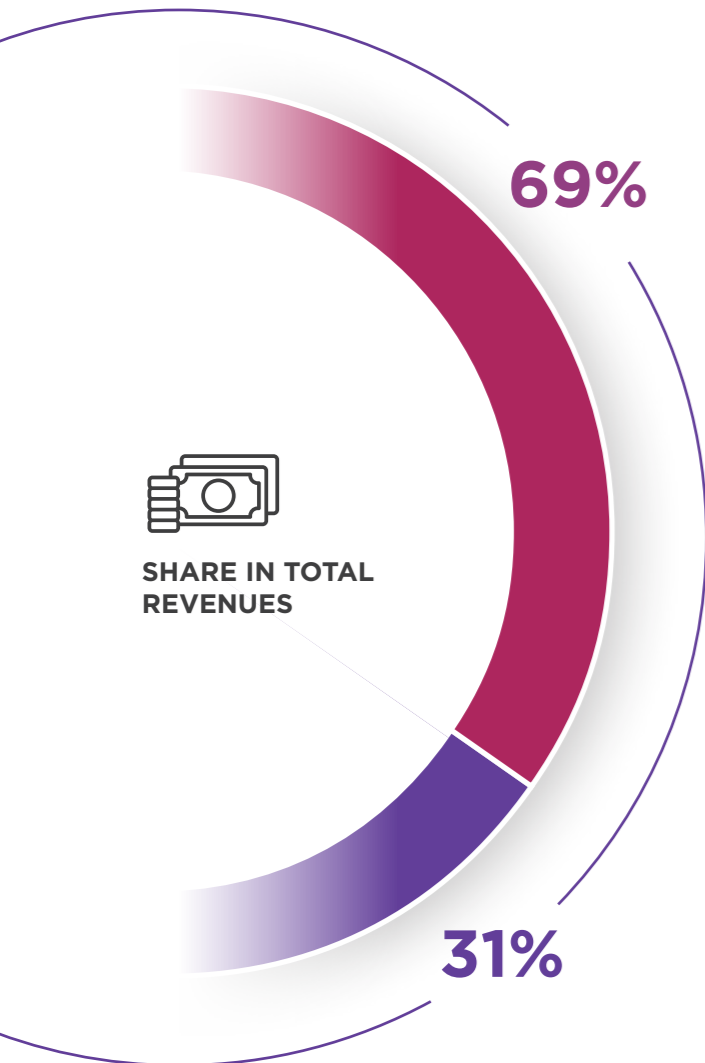
Our full suite of Cash Logistics services, Managed Services and Technology Solutions connects customers with businesses, across the length and breadth of the country, and a wide spectrum of user segments. Our deep networks intersperse cities and the hinterland. These networks help realize the goals of financial inclusion, reducing economic disparities and making widespread impact on people's lives and ambitions. Also enabling us to run a very high quality on demand logistics and physical payments platform for Banks and Retailers offering them tremendous flexibility and helping them manage their payments efficiently in a cost effective manner.

Our network spread across 16,000+pincodes facilitates commerce across the length and breadth of the country including the remotest areas like those around Indian borders and others that are accessible only by boats or by air.



CMS At a Glance

Founded in 2009, CMS Info Systems is a leading business services company catering to the BFSI, Retail and Logistic Sectors.



SHARE IN TOTAL REVENUES

Managed Services and Cards personalisation | Cash management services

Our Business Verticals



CASH MANAGEMENT SERVICES



- End-to-end ATM replenishment – inclusive of cash withdrawal, ATM replenishment, cash evacuation and deposition for BNA/recyclers, day-end reporting, reconciliation and settlement
- Cash pickup and delivery from retail outlets and enabling settlement with retailers’ banks
- Inter city and Intra city Currency movement for Banks
- Automated Retail Cash Vaults

#1 across segments | **4,000+** routes

113,000+ business points



MANAGED SERVICES



Technology

- AIoT based Remote Monitoring

Software Solutions

- ATM Multi-vendor software (MVS)
- CMS ALGO – fully automated ATM security software

ATM Managed Services

- Brown label ATM (BLA) deployment
- Managed services for bank-owned ATM networks

Banking automation

- Sales, deployment and maintenance of Banking automation products

Cards personalisation

- Management and personalisation of cards

25,000+ site orderbook in AIoT remote monitoring

12,000+ ATM Network under Managed Services

37,000+ Total Installed Machine Base



CMS at a glance

CMS' transformation

CMS owes its inception to purchase of a majority stake by Blackstone group, private equity firm, from a promoter owned company in 2008-09. From its start as an IT service company CMS has significantly evolved and expanded its business offerings.

CMS doubled down on the cash management services business, but subsequently expanded across several other business lines, and is today a publicly held company. This journey of transformation shows its innate resilience and constant ability to evolve and thrive.

Over last 13 years

7X
Revenue growth

8X
EBITDA Growth

CMS has metamorphosed from an IT services company to a fast-growing integrated platform for a host of business services to the financial services and retail sectors in India. We have actively developed adjacent business interests to build synergies and capabilities for greater horizontal spread across the financial services and retail space. Over the last 13 years our revenues from continuing businesses grew at a CAGR of 17% and EBITDA grew at 18%

● RESTRUCTURE

FY10 - FY11

- Rajiv Kaul Partners Blackstone to acquire majority stake
- Review and Restructuring of Portfolio
- Focus on Cash Management 7,000 ATMs

● GROWTH

FY12 - FY16

- Becomes the largest cash management company in India after acquiring Securitrans
- Enters banking automation with deployment of 8,000 ATMs
- Demerges IT Infra division

● RESILIENCE

FY17 - FY19

- Difficult times for the banking industry due to demonetization, GST, NPA crisis but company continues on the growth path, remains profitable, shows resilience
- Acquires Clover Tech to enter into BLA sector
- Launches Software Solutions - Wins Multi Vendor software for SBI

● ACCELERATED EXPANSION

FY20 onwards

- On a fast growing trajectory despite COVID-19
- 70,000 ATMs under cash management
- IPO done in Dec 2021
- Enters fast growing AIOT based remote monitoring



Message from CEO

Strong Decadal Growth Opportunity



Welcome to CMS, one of India's fastest growing business services platforms.

In my very first letter to our public shareholders, I want you to better understand the company you have invested in. I want to explain our culture, what we are today, what we want to build in the coming decade and how we continue to create and compound value.

During one of the worst floods that hit parts of North India, one of our cash van teams was caught on a rapidly submerging bridge in a remote hilly area. We had lost all contact with them and we feared for the worst. Three days later we heard from them. They had to abandon their cash van, but before scrambling to safety the team managed to get the cash safely out of the van and then trekked few hours to a village nearby. With no electricity to charge their phones, they stayed there for the next few days and when the flood waters subsided, they found their way to a nearby Army camp and returned home safely with the entire cash.

CMS is about many such stories of resilience, courage and what I consider, an extraordinary degree of personal and professional integrity and each one fills our heart with pride, and propels us to keep building a solid institution. We were filled with these emotions and more on our listing day on December 31, 2021, and I remain forever grateful to our team's passion, performance, and pride in what they do, every day.

In 2009, partnering with Blackstone, we bought a majority stake from the founders of CMS. Many things have changed since then - our business lines, our strategy, and also our private equity shareholders. Today, we have a fantastic logistics network and technology solutions platform which spans the corners of India with 4,000 routes, 23,000 team members across 16,000 pin codes managing 150,000 business points. Over the years, we have expanded both horizontally and vertically from being predominantly a cash management company to a business services outsourcing platform. We have maintained robust topline growth with 17% CAGR over the last decade. We have honed the capability of doing more with less. The cumulative equity investments into CMS over these years have been less than ₹ 200 Crore, less than our FY22 PAT of ₹ 224 Crore. This organization wide frugality, along with technology-led productivity improvements, vertical integration and our scale, have resulted in our operating margins expanding by over 930bps between FY19 and FY22. Our strong margins reflect the quality of work that we do for our customers.

At a macro level, the RBI has been very focused on a smooth, efficient currency ecosystem to enable commerce and economic growth. To ensure better and safer access, it has issued various guidelines. CMS, as an industry leader, has been supporting these guidelines by making requisite investments in infrastructure, technology and processes. For our public shareholders, a large portion of these investments have been front-loaded and will result in strong returns in the coming years.

Cash usage trends are robust and in line with other large economies: developed economies like the US, Japan and Germany as well as key developing economies such as Brazil, Mexico, Indonesia and Philippines. In

FY22, Currency in Circulation in India grew at 10% and the total currency handled by CMS grew at an even faster pace of 22%.

India is the world's third largest ATM market and has grown its ATM base by 5% over the last year. To witness the usage of ATMs, I encourage you to visit an ATM of any leading bank during peak hours, at busy markets or locations. As banks focus more on cost savings, efficiency and risk management, we expect them to outsource the 40% ATMs still managed in-house. In the retail sector, we are already witnessing a revival post Covid and the jump in daily cash collections from sectors such as travel, hospitality, education and NBFCs is driving strong growth. More than 60% of e-commerce orders in India are Cash on Delivery. As organized retail and E-Commerce continue to make steady inroads into the informal economy, the need for cash management at these business points will grow and present a strong secular double-digit growth opportunity for this decade. The Indian cash management industry has also been steadily consolidating in line with global trends, and this should accelerate post Covid.

As we think about our future, we remain focused on expanding our business lines. From a base of ₹ 1,308 Crore revenue in FY21, we aim to double it to ₹ 2,600 Crore by FY25. Our three major business lines will contribute robustly to this growth rate target of 18% CAGR and the likely revenue contribution from Cash Management, Managed Services and AIoT & Software would be 60%, 30% and 10% respectively by FY25.

The coming decade will be a story of India's growth led by Bharat which will benefit platforms like ours with a deep entrenched distribution network in semi-urban and rural areas. For FY25-FY30 period we see the opportunity to double our revenue to ₹ 5,200 Crore. We will focus our offerings to three verticals: BFSI, Retail and Logistics which are key for India's development, and have seen massive investments and policy support. We already have capabilities in these sectors and will deepen these. This will be through a combination of incubation of new business lines and M&A.

We prefer a pragmatic and value oriented growth approach. Buying growth with large acquisitions or high valuations does not fit with our values. Every M&A or capital investment decision is approved only for a strong base case IRR (Internal Rate of Return) with sensible payback period. Our M&A approach is programmatic, and we prefer to do smaller acquisitions to enter new business lines and then leverage the CMS platform strengths to scale. Over the last nine years, we have done eight acquisitions. In FY22, we acquired Hemabh Technology, a player in the ATM Remote Monitoring segment. We have built strong AI/ML capabilities to our offerings and won an order book of ₹ 600 Crores. In FY23, this new business will achieve an annual revenue run rate of ₹ 100 Crore. This is a good example of how we would like to go about expanding in new sectors and. In addition to using capital for organic and inorganic growth, we have also paid an average dividend of 23% of net profit over the last four years (including proposed dividend for FY22).

We successfully completed an IPO in volatile equity markets and have attracted high quality institutional shareholders. We also have more than 1.3 lakh retail shareholders. I would like to thank all our investors including Baring Private Equity Asia who have been our shareholders since 2015 and other anchor investors like Ward Ferry, SBI MF, ICICI Prudential MF, Nomura, Goldman Sachs, Theleme, Abakkus, ABSL MF and SBI Life Insurance, along with our customers, team members and strategic partners for their trust and support to build a world class institution. We are quite excited about the opportunities and journey ahead

Thank you,

Rajiv Kaul
Executive Vice Chairman and CEO





Board of Directors

Guiding us on our journey of growth

CMS has gained immensely from the seasoned leadership, market understanding and acumen of its Board of Directors.



SHYAMALA GOPINATH

Chairperson and Non-Executive Director

She has been associated with our company since November 2017. 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 as part-time non-executive director of HDFC Bank Limited.

Currently, she is a director on the board of several companies including Colgate Palmolive (India) Limited, CRISIL Limited, CRISIL Ratings Limited and Grassroot Trading Network for Women. She is associated with Indian Institute of Management, Raipur, as the Chairperson of its Board of Governors. She is also a member of the Research and Information System for Developing Countries and a Member of Finance for Sanitation and Advisory Council of India, Sanitation Coalition.



TAPAN RAY

Non-Executive Independent Director

He has been associated with CMS since April 9, 2021. 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; a Master's degree in Public Policy from the Woodrow Wilson School, Princeton University, USA; a Master's degree in Public Administration from Maxwell School, Syracuse University, USA; a diploma in international law and diplomacy and post graduate diploma in international trade and business law from Indian Academy of International Law and Diplomacy, Indian Society of International Law; a post graduate diploma in International Business Operations from Indira Gandhi National Open University and an Executive Masters in Foreign Trade from Indian Institute of Foreign Trade, New Delhi.

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. He is a member of the Alpha Sigma chapter of Phi Beta Delta, Honor Society for International Scholars since March, 2006.



MANJU AGARWAL

Non-Executive Independent Director

She has more than 34 years of banking experience with State Bank of India, in India and overseas, across its Retail banking, Digital banking, Customer Service and Financial inclusion at policy, Strategy and Operations functions. She has Led SBI's partnership with Reliance Industries Ltd to set up Jio Payments Bank Ltd. She has also been in leadership roles for verticals like Govt Business, Transaction Banking and Issuing and Acquiring Business of the Bank, and led SBI's foray into Transit and Metro solutions and the Bank's Jan Dhan program. Ms. Agarwal retired as the Deputy Managing Director, Digital Banking & New Businesses, SBI. She also functions as Independent Director on the boards of NBFCs such as Hinduja Leyland Finance and Vistaar Financial Services, Gulf Oil Lubricants and PayTM Payments Bank, among others.

She is a Postgraduate from University of Allahabad, an Associate of the Indian Institute of Bankers, and has Certification in Documentary Credits by Euro Money, UK; Certification in Marketing, by IIM, Kolkata and Certification in Financial Inclusion, by Harvard Kennedy School, USA.



KRZYSZTOF WIESLAW JAMROZ

Non-Executive Director

He has been associated with CMS since 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 logistics, cash management and investment banking. He presently serves as Executive Chairman on the Board of Roadrunner Transportation Systems (RRTS) and Executive Chairman of Ascent Global Logistics. Previously, he was associated with GardaWorld Corporation as its Cash Services President and Chief Operating Officer. He also worked as Head of Corporate Finance practice, JP Morgan, 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.



Board of Directors



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. After co-founding and successfully scaling-up PaySense, Ms Karanjkar sold the business to Naspers backed PayU India for an equity value of \$ 185 million

Prior to PaySense, Ms. Karanjkar spent 15+ years in US and Singapore building and executing strategies for leading consumer and retail companies in the US – 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. She also serves as an Independent Director on the board of One Mobikwik Systems Limited



JIMMY LACHMANDAS MAHTANI

Non-Executive Director

He has been associated with CMS since August 27, 2015. He holds a Bachelor's degree in Science and in Business Administration, triple major in finance, marketing and international business from Georgetown University.

He has over 21 years of experience in private equity and investment banking. He has been associated with Baring Private Equity Asia (BPEA) since 2006 and currently serves as the Managing Director for private equity investment in India. Prior to BPEA, he was associated with General Atlantic Partners (Mumbai) in the capacity of a Vice President.



ASHISH AGRAWAL

Non-Executive Director

He has been associated with our company since August 27, 2015. He holds a Bachelor's degree in Engineering, with specialisation in electronics from the SGS Institute of Technology & Science, Indore, and a Postgraduate diploma in Management from Indian Institute of Management, Ahmedabad.

He is a qualified Chartered Financial Analyst (CFA) from the CFA Institute, USA. He has over 24 years of experience in private equity and investment banking. He currently serves as the Managing Director of Baring Private Equity Asia, Mumbai. Prior to that, he was associated with Lehman Brothers in Mumbai as its Senior Vice President and with Bank of America in Chicago as a Vice President.



RAJIV KAUL

Executive Vice Chairman,
Whole Time Director and CEO

He has been associated with CMS since inception. Rajiv has over 29 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, from where he moved to Redmond, USA as Senior Director (Emerging Markets). He was formerly a member of RBI's Committee on Currency Movement which was constituted post demonetisation. In the past, he has been associated with National Association of Software and Service Companies (NASSCOM) as an elected member to the Executive Council and also as a member of the National Council of CII from 2003 to 2005. He is also a member of the General Council of Birla Institute of Technology, Mesra.

He holds a Bachelors degree in Engineering, with specialisation in Computer Science from Birla Institute of Technology, Mesra and a Postgraduate Diploma in Business Management, with specialisation in Marketing and Finance from Xavier School of Management (XLRI), Jamshedpur.



Management Team

Experience at the helm

Management team that combines experience with great entrepreneurial mindset

24+ years

Average experience of Key Management team

8.5 years

Average number of years at CMS for Key Management team



RAJIV KAUL

Executive Vice Chairman, Whole Time Director and CEO of our Company and part of the Board of Directors



ANUSH RAGHAVAN

President-Cash Management Business
More than 16 years of experience in business management, strategy, business development. He has previously worked with Hay Consultants and serves as the President of Cash Logistics Association and Currency Cycle Association.



PANKAJ KHANDELWAL

President and Chief Financial Officer
Qualified chartered accountant with over 27 years of experience. Has served with NRC Limited as its Vice President (Commercial).



MANJUNATH RAO PARE PARMESHWAR

President- Managed Services Business
More than 34 years of experience in sales and marketing across sectors. Has served with NCR Corporation India Pvt Ltd as Interim Managing Director and CashLink Global Systems Private Limited as Chief Operating Officer.



SANJAY SINGH

Chief Human Resources Officer
28 years experience across sectors. Expertise in Org. cultural transformation & talent management. Has earlier worked with Cairn India as Director (HR and Admin), and with GE and ITC.



ROHIT KILAM

Chief Technology Officer
More than 20 years of experience in IT across sectors. His last role was as Head-Technology at Aditya Birla Finance Limited. Prior to that, he was with Tata Consultancy Services Limited, IBM India Private Limited and Adani Enterprises Limited.



VIJAY IYER

Senior Vice President, Cash Management
Vijay comes with over 20 years in the Cash logistics industry. At CMS, he leads operations and service delivery for our cash management business. Vijay has been associated with global and domestic companies in the past.



DEEPAK BHAGCHANDANEY

Senior Vice President, Managed Services
Deepak comes with 28+ years of experience, both as an professional and an entrepreneur with firms like Spanco, Alcatel, Motorola and Tata Telecom. At CMS, Deepak leads various businesses including Brown label ATMs (BLA) and AIoT Remote Monitoring



MRYDUL VATS

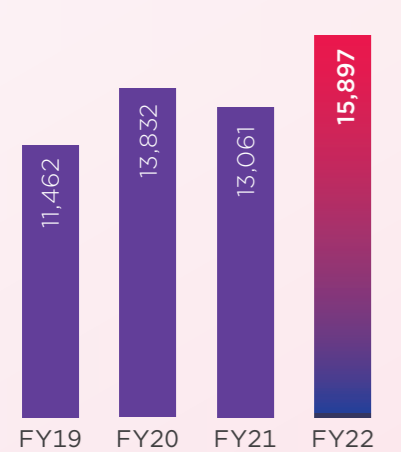
Vice President, Sales
Mrydul has more than 16 years of experience across consulting, strategy, projects and sales. He has been with CMS for over 13 years now and leads sales for our Managed Services business



Key Performance Highlights

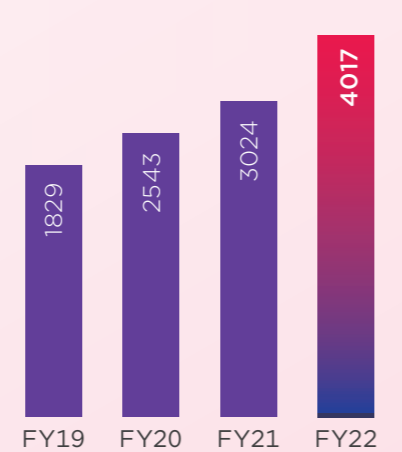
Accelerating Performance

REVENUES (₹ in mn)



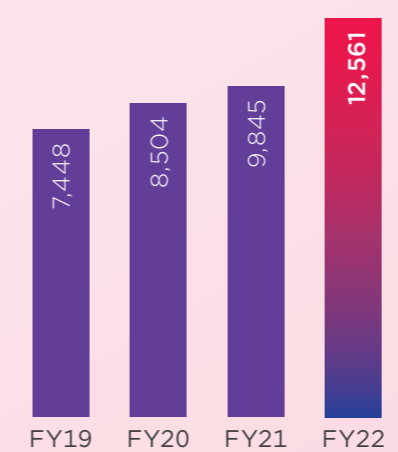
▲ **12% CAGR** (FY19-22)

EBITDA (₹ in mn)



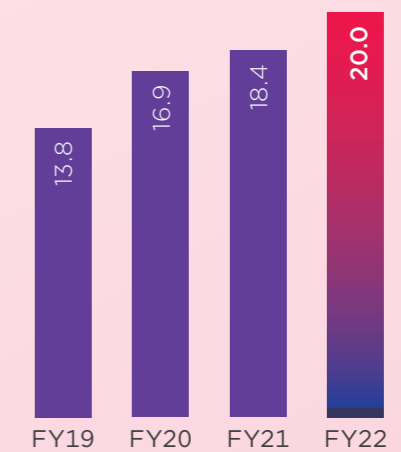
▲ **30% CAGR** (FY19-22)

NET WORTH (₹ in mn)

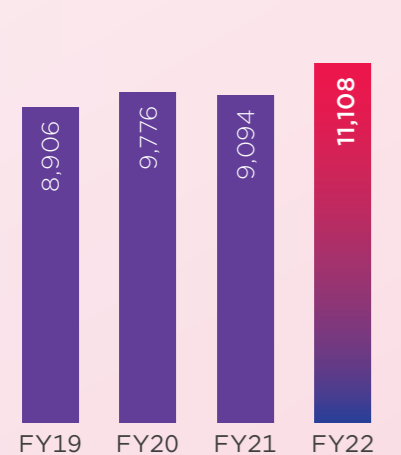


▲ **19% CAGR** (FY19-22)

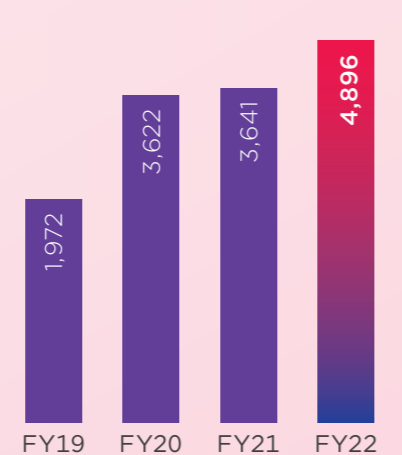
RETURN ON NET WORTH (%)



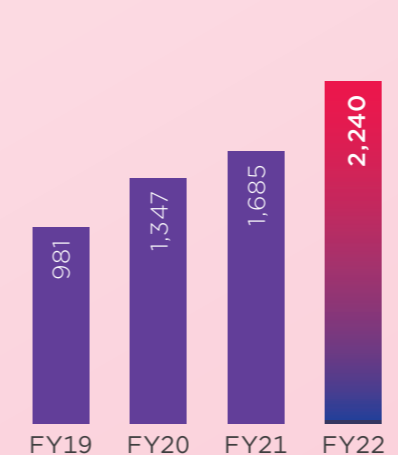
REVENUES - CASH MANAGEMENT SERVICES (₹ in mn)



REVENUE - MANAGED SERVICES (₹ in mn)

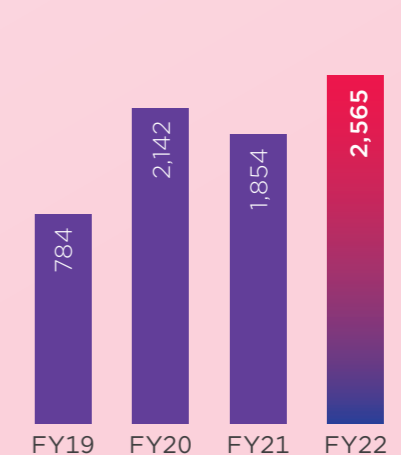


PAT (₹ in mn)



▲ **32% CAGR** (FY19-22)

NET CASH FLOW FROM OPERATIONS (₹ in mn)



▲ **AVG.CFO/EBITDA @63%**

Investment Case

Integrated business services platform for India's BFSI, Retail and Logistics Sectors

We are an end-to-end, pan-India provider of high-quality services across the full spectrum of India's Cash Management, Managed Services, Tech-based Remote Monitoring and Physical Payment Solutions value chain.

We provide platform-based business solutions that encourages greater outsourcing of non-core activities by our clients.

LEADERSHIP POSITION ACROSS MOST SEGMENTS

#1
in ATM Cash Management

46% marketshare in ATM cash management

#1
in MVS for ATMs

-50,000 ATMs managed

#1
in Retail Cash Management

36% marketshare in Retail cash management

#1*
in AIoT Remote Monitoring

Installed base of 15,000+ ATMs; Order book of 25,000 sites
#1 based on orderbook

#1
in Cash-in-transit

26% market share in Cash-in-transit

Among **Top 3** in banking automation

Strong base in the currency management value chain



CMS Info Systems is a long-standing market leader in India's cash management industry and handles close to 40% of the ₹ 31 trillion that makes up India's total cash in circulation. Our touchpoints cover all critical B2B and B2C interfaces within the existing cash value chain – from currency chest banks to ATMs, from bullion movement to retail frontends. Our force of 4,000 cash vans and more than 23,000 staff and third-party associates provides the essential infrastructure on which India's cash economy runs.

The revenue streams for our cash and currency management businesses mostly follow a hybrid structure, with a base level of transactions and contract tenure getting covered under the fixed component.

For ATM cash management and the retail cash management businesses, contract durations typically span one to three years with a slab-based pricing model. For both businesses, incremental variable pricing is linked to volumes handled/ activities carried out. Further, this

business is largely route-based and 78% of revenues come from activities where route density can be optimized to improve productivity and drive higher profitability. The cash-in-transit business follows a fixed monthly fee structure, with additional fees depending on variables like extra operations, time of day and distance travelled.

78%
revenue from route based operations

Investment Case

Successful track record of horizontal and vertical expansion through tech innovation and strong business model



software upgrade services and proprietary software solutions for risk management and transaction reconciliation. Using our multi-vendor software, banks are able to centralize ATM channel management to a single central command center in order to enhance their customer experience and make real time updates

We also generate significant operating leverage across our business lines. Our ATM deployment business is volume-based, with a fixed price chargeable per ATM deployed and managed. The maintenance services contracts that we run for OEMs in complement with our ATM deployment, are also on a fixed rate for unit basis, with the contract period stretching between 5-8 years. The BLA ATM follows a transaction linked model or a fixed fee per month model for a typical tenure of 7-8 years. In AIoT Remote Monitoring, we get a fixed monthly recurring revenue for a 4-6 year contract duration.

Over the past 14 years of we have steadily built our Tech stack and capability base. After consolidating our cash management business, we have expanded into the adjacent businesses of Banking Automation, ATM Managed Services, Software Solutions and AIoT based Remote Monitoring.

The software solutions that we provide help to add efficiencies along different points of the banking services value chain. Our services include ATM multi-vendor software solutions (MVS), ATM end-point security and

	SOLUTION OFFERINGS	CUSTOMERS	REVENUE MODEL
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AIoT Remote Monitoring



- Built on cutting edge AI and IOT based solution
- State of Art Integrated Command and Control Center
- 15,000+ sites covered

Orderbook of over 25,000 ATM sites 1,000+ bank branches and gold loan NBFCs

Monthly recurring revenue on per site/ premise basis

Software Solutions



- Multi-vendor software to help banks centralize ATM management
- CMS Algo: Fully automated ATM security software
- CMS Agile: Automated query resolution tool

• CMS Algo licensing for five banks
• ~50,000 ATMs under MVS solutions for SBI

One-time sale revenue and recurring AMC sales

Brown Label ATMs and Managed Services



- Brown label (CMS capex)
- Asset-light for bank owned ATM networks

Banks like SBI, ICICI, HDFC etc.

Monthly recurring revenue: Transaction linked or on fixed rental per month basis

Banking Automation



Sales, deployment and maintenance of automation products like ATMs, cash recyclers

Banks and Managed Service Providers (MSPs)

One time product sale and recurring service revenue

Investment Case

Longstanding relationships demonstrating quality, trust and the strength of the customers' faith in us

KEY CUSTOMERS

Our customers and their customers across our three business verticals cover a vast swathe of India's financial sector, including the country's largest banks and BFSIs (NBFCs and insurance), and more than 2000 brands across retail, e-commerce, public utilities, transportation, hospitality and governments.

Partner of choice for almost every bank in India

e-commerce

India's largest e-commerce company, Leading furniture retailer, Leading value retailer, Top-3 logistics companies in India

Govt. agencies

Leading State Utilities, National and Regional Transport Service Providers

NBFC

- Leading Housing Finance Company
- Large Vehicle Finance Company
- One of the largest Rural Finance Company
- Pan India Consumer Finance NBFC
- One of the leading gold loan NBFCs
- Leading MFIs

Insurance

- Largest Public Insurance Company
- Top-5/leading private general and life insurance companies

Large retail format

- Largest retail chain in India
- Largest electronics retailer in India
- Leading value retail chain
- Leading Swedish furniture retailers

Accessories and apparel

- One of the largest apparel chains
- Leading Indian handicraft chain
- Leading global luxury retailers
- Fast growing online and offline accessories retailer

50+

Banks

2,000+

End Retailers

UNDERSTANDING THE 'REAL' INDIA A LITTLE BETTER

As India's largest cash logistics management company, CMS has an insider's understanding of where the money is flowing - which sectors have the highest cash inflows; state-wise and region-wise variances in economic activities or even demographic level trendspotting as smaller towns and cities revv up momentum. Such granular data and its expert analysis have immense value for a growing nation, and the world. With India holding its place as the fastest growing economy, a real-time analysis of economic activity helps businesses design and market their products and services more effectively, and aids more on-point interventions by the government.

Realizing the value of our data inventory, we have designed the CMS Cash Index™ to provide insights into different aspects of the

Indian economy. The primary CMS Cash Index™ is a weighted index consisting of two factors: the cash that goes into circulation via the CMS ATM channels and cash that we collect from the retail channels, which stands in as proxy for consumption patterns by state and sectors. Our analysis is based on data gathered from over 700 districts and more than 16,000 pin codes across India.

With more than half our ATM base in SURU areas we provide a rare view of the ebb and flow of economic change in India's hinterland, where more than two-thirds of the population lives. Our data also gains in richness from the sheer expanse that we cover, across India's diverse geographic terrain, capturing regional, seasonal and demographic movements through the prism of economic activity.

Find out more www.cms.com/cash-index.php



MOVING UP THE VALUE CHAIN - TECH SOLUTIONS

CMS' relationship with one of the leading banks in the country showcases how we have been able to support growth and operational efficiency initiatives of banks through our high-quality services and portfolio offerings, to gain customer trust and thereby grow share of wallet.

Prior to 2014, we had an indirect relationship with the bank and only provided cash management services for its ATM network spread across the country. As the bank started automating its banking operations and expanding ATM infrastructure, we deployed over 25,000 automation products across the length and breadth of the country for it. We have also helped bank automate their currency chest and vaults which were handled manually.

Over the last decade, the bank rapidly expanded its ATM network, and procured ATMs from multiple OEMs (manufacturers). This led to inconsistent customer experience and inefficient operations. With no prior credentials, CMS participated in and won a global tender and, today, the bank's entire network of ATMs is powered by our Multi-vendor Software (MVS). The several hundred million customers of the bank use the MVS interface every day for their banking needs. Our MVS helps the bank deliver consistent customer experience, save on operating costs and generate cross-sell opportunities.

Over the last few years, the bank has shifted focus on expanding its service network. We have deployed and started running ATMs on its behalf. Today, we are enabling last-mile banking access to its customers and delivering best-in-class service levels and uptime. Most recently, when compliance standards were made more stringent, banks were asked to move from physical guarding to remote tech-enabled monitoring of their premises and assets. CMS, once again, emerged as trusted partner for the bank and used its AIoT technology for monitoring and safeguarding thousands of its ATMs.

The trajectory of how our relationship with the bank has grown typifies the potential that exists for growing business across adjacent customer need points. Given the high-risk, high-stakes nature of the work we do, gaining customer confidence always requires consistent, on-point service. It also requires the ability to handle increasingly complex projects that need deeper specialized understanding. But once these checkpoints have been crossed, the accretive benefits are many as customers gain strength from an industry partner who understands their business and can deliver with technological prowess and faultless execution. We see considerable value getting generated from business areas that are non-core for our customers, but where they require efficiencies so that they can strengthen their own value proposition and build competitive edge.

MULTI-YEAR RECURRING REVENUE STREAMS

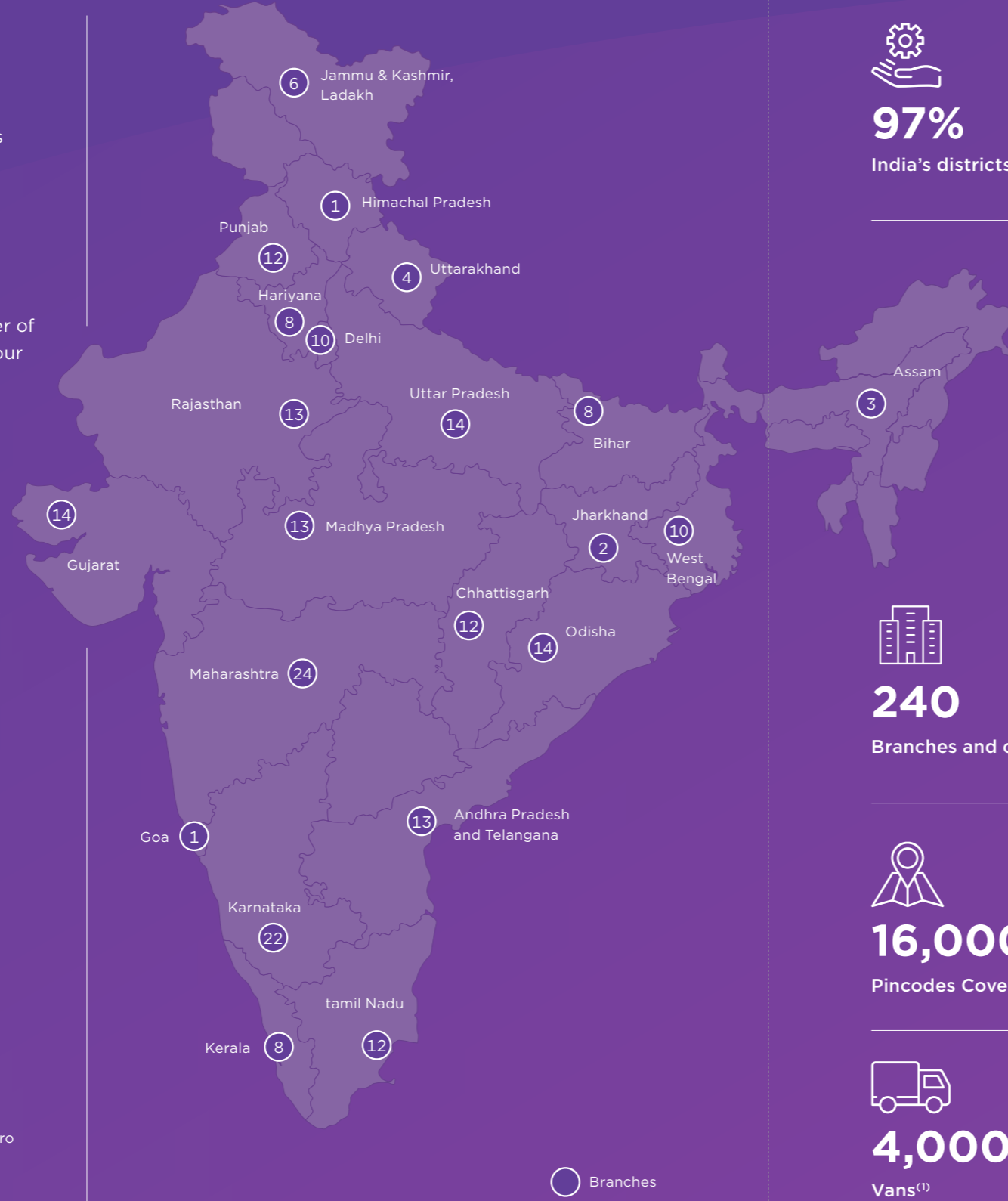
While the cash management business has its profitability linked with high route density, majority of our revenue in the managed services business is recurring in nature and generated from long-term contracts. Most of these contracts are 5-7 years long giving significant visibility. As we expand into adjacent businesses and try to gain a bigger share of the outsourcing pie, we are actively pursuing businesses with long-term recurring and value-added revenue streams.

Investment Case

Far-reaching logistics network with deep penetration in growing markets

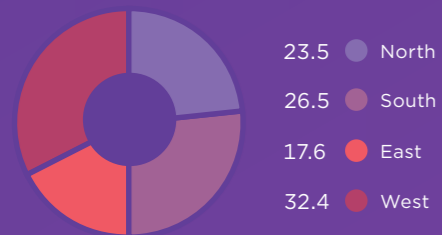
Our people travel distant roads and cross rivers and mountains to make money available where it is needed. Our on-demand services are available 24 hours a day, 365 days a year across 16,000+ pincodes.

Our deep penetration in high-growth markets, and coverage of SURU areas makes the most of the opportunities created by growing urbanization and financial inclusion. The highest number of our ATMs are in SURU areas – 62% of our total ATM network.



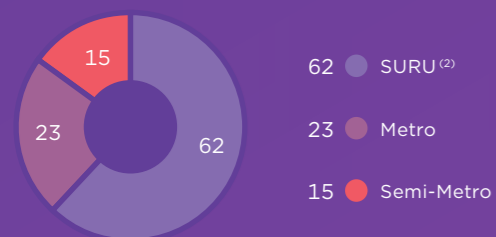
97%
India's districts serviced

REGION-WISE SPREAD (%)



as of Mar'21

MIX OF ATM CASH MANAGEMENT POINTS FY21 (%)



○ Branches

240
Branches and offices

16,000+
Pincodes Covered⁽¹⁾

4,000+
Vans⁽¹⁾

as of Mar'22

Strong track record of prudent capital allocation



Our growth journey has gained significant momentum from the inorganic acquisitions that we have made. We have used our strong foundations in our core business to acquire competencies and client bases from the businesses we have bought, rapidly streamline and build scale to deliver high operating efficiencies.

- In 2011, Securitrans (SIPL), second largest cash management service provider in India, was acquired, consolidating our market leadership.
- In 2017, a mid-sized cash management company was acquired which helped further increase our ATM network. A small brown label ATM services company was also acquired and marked our foray into this segment. We scaled

up on its readymade client base of mid-sized banks and increased capacity.

- In 2018, acquired the retail cash management business of a cash management competitor.
- In 2020, Logicash was bought out and further grew our ATM cash management business.
- In 2021, we acquired Hemabh Technology, a Remote Monitoring Tech company to strengthen our integrated solutions for customers.

Dividend Policy

- Historically despite capital investments for growth company has maintained healthy dividend payouts.
- The average payout for last three years has been ~25%

Technology as a game changer

In-house tech stack is a key differentiator

From the start, CMS set out to build a technology-led organization, that would be founded on focused, tailor-made solutions that answered to specific Indian situations and help to support agile operations and on-demand services.



In India - day to day banking operations run at very high speeds and execution systems need to be immensely agile and responsive. Businesses require on-demand service, with zero downtime. This means, services need to be available 24X7, every day of the year, in the remotest corners of the country. If that need were not challenging enough, it is also necessary for the delivery

network to run in a safe, secure and efficient manner. Needless to say, this is a very complex task as every piece is interconnected and needs to work seamlessly. Given our unwavering focus on creating a strong technology backbone that enables us to create a business that runs very efficiently, we have been able to consistently meet our clients' demands.

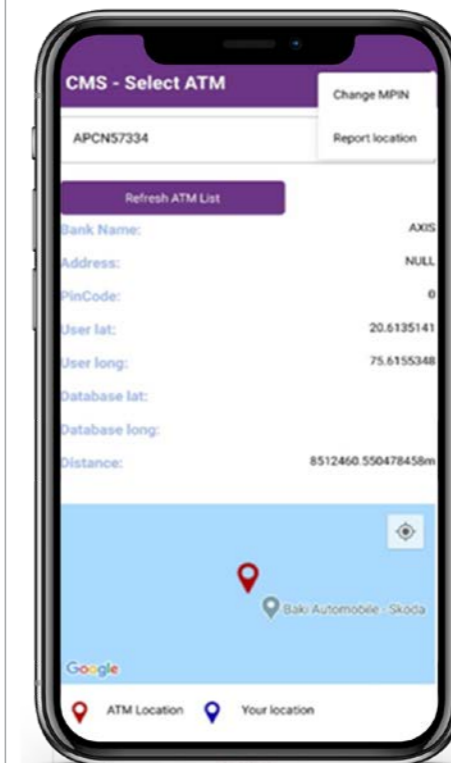
Our business model is very robust, yet often non-linear. Today, CMS has successfully integrated technology deep within its operational processes, which helps us to excel with respect to service delivery or to manage risks better. It is also a critical component for us to control cost or simply do more with less.

Over the last decade, we have often built solutions in-house instead of looking for ready-made solutions. Our tech stack is customized to address the complexities of the Indian market and fully addresses the requirements of banks and customers.

Our tech-led solutions take three primary directions:

- Technology that is customer facing:**
 For instance, CMS Algo, multivendor software (MVS), remote monitoring technology
- Technology that helps us in automating internal processes:**
 CMS Connect, fleet management focused software, Bots for e-journal management
- Other enterprise support tools:**
 For handling ERP, legal and HR Management systems

USING TECHNOLOGY TO IMPROVE OPERATIONS AND SERVICE DELIVERY



Cash loading for ATMs is moving towards cassette-based loading. To better manage the tracking and tracing of the ATM cassettes and to ensure correct cassettes are loaded into specific ATMs, a QR-based solution has been implemented. Realtime data feeds to zonal and regional levels help in monitoring ATM activity, their loading, EOD efficiency and pending reconciliation and CBR reporting among other parameters.

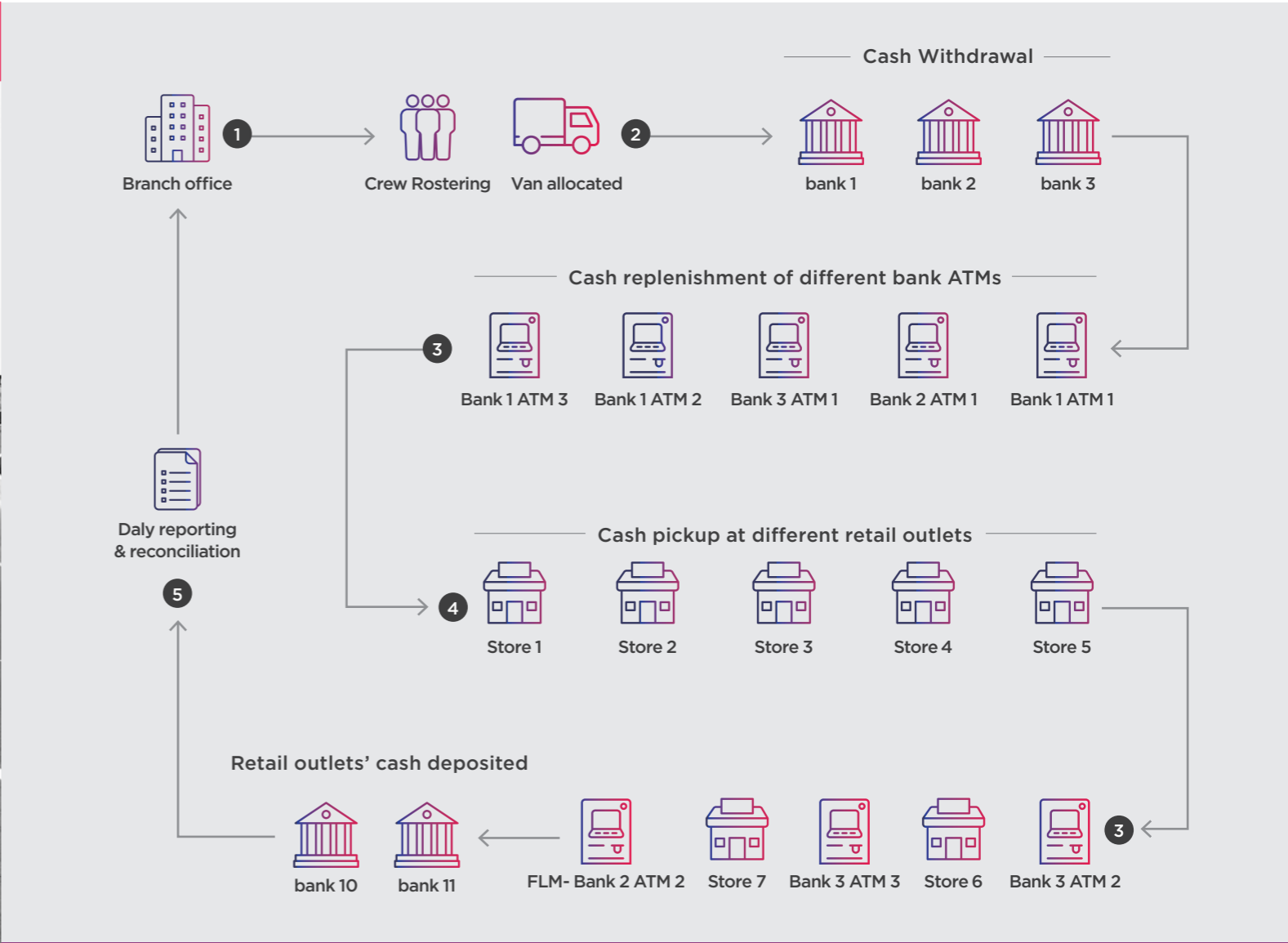
We also use a fleet management solution for our more than 4,000 vehicles as this helps us to drive operational efficiencies. The fleet management system encompasses integration with oil companies, Fastag data, vehicle maintenance scheduling and finance integration to provide real-time tracking that proactively reduces downtime and increases utilization.

Our proprietary technology solutions add significant efficiencies to several aspects of our operations.

Vault Management System provides logistical advantage to CMS and improves our operational efficiencies by digitising all vaulting activities. This helps in real time visibility of cash status, facilitates the cash transfer between the branches, day closure and reflects the real time vault balance.

Investment Case

TECHNOLOGY IN ACTION: DYNAMIC ROUTE MAPPING



On a typical day, cash handled by the CMS network is roughly ₹ 1 lac crore per month. That highlights the complexity of the job that is part of a day's work. With route productivity being a key determinant of profitability, all parts of our systems are primed to optimize this aspect. The intricate web of software solutions that make up our tech stack make these runs a seamless, fast and fool proof affair.

Before the vans leave the operation hubs, software solutions like CMS Connect help

to get the documentation ready for each stop that the vans will make. Before they pick up and drop off cash from ATMs, indents, trip sheet are automatically generated and uploaded for easy reference. Next the dispatcher and navigation modules like Route Mapper get to work, determining crew allocation and route determination. CMS ALGO, our fully automated, mobility based, ATM security software application, which provides E2E password management, facial recognition and geo tag-based validation, helps in site-level security

management, ensuring that operations continue securely and fluidly. Other solutions in the stack handle transaction monitoring, reporting and reconciliation, both for ATMs and RCMs. The CMS AGILE solution is an automated reconciliation system for predictive risk management, which has already handled 1.5 Million automated transaction reconciliations in FY22.

4,000+
Routes

~₹1 trillion (Lac Crore)
Cash handled per month

1.5 million
Logistics activities per month

CMS Tech Stack at Work

- 1 1CMS Connect - Indent Upload, Trip Sheet Generation
- 2 Dispatcher module - Crew Allocation
- 3 ALGO - Automated OTC Generation
- 4 RCM Mobility - Real time RCM Transaction Reporting, QR code scanning etc.
- 5 CMS Connect - Real time ATM Transaction Reporting
- 6 CMS AGILE - ML based Reconciliation Tool
- 7 Fleet Manager - Integrated across OMCs, FasTags and vehicle telemetry

Technology helps us to service the scale at which we are present across the country, with nearly ₹ 1 trillion of cash handled every month (March 2022 month) from more than 113,000 business points, involving close to 1.5 million activities. Our proprietary technology builds our competitive edge and leads to our market dominance.

Ensuring risk-free operations

Robust processes to ensure reliability and safety

We manage large volumes of cash everyday and remain vulnerable to various kinds of risks like theft by third parties or employees and reporting errors (both deliberate and inadvertent). Our systematic risk management framework helps us assess and minimize risks.



We have developed comprehensive internal structures, processes, policies and guidelines to manage operational risks, and to minimise losses both to our customers and us. These include:

- Continuous review and development of processes for managing both operational and financial risks, with the minimize these;
- Robust reconciliation-related processes, to facilitate reconciliation with banks and managed service providers and also undertake detailed analysis in case of discrepancies;
- Operational process controls, like cash carrying guidelines for cash vans, a dual custodian model (that requires one person to initiate an activity and a second person to approve or verify it separately), lock and chain mechanisms for cash trunks;
- Comprehensive auditing procedures, conducted through physical visits of ATMs and routes, and process audits at branches and other relevant locations. Audits are conducted with and without notice;
- Continuous internal communication with respect to risk at all levels of the management;
- Monitoring risk areas and assessment of investment needs for risk mitigation, and evaluating extent of risk reduction possible
- Maintaining insurance policies with reputable insurers, that are underwritten to ensure that the risk is appropriately distributed.

Our risk management structure involves four separate departments – Reconciliation, Audit, Insurance and Security, and they separately report to their respective business unit heads. Key responsibilities include:



Reconciliation
Chargeback resolution, technical investigation, data analytics and MIS, and customer engagement



Audit
Cash inventory audit, process compliance, special audits and certifications



Insurance
Policy renewal, claim intimation and settlement



Security
ATM and route audits, liaising with enforcement authorities, preventive risk assessment and conducting security trainings.

SYSTEM OF INTERNAL AUDITS

Our 150-people strong internal audit team is fully equipped to handle the risks faced by the large network that we service. This team is responsible for auditing all relevant aspects of our cash management and managed services businesses.

Each month, internal audits are carried out across our branches, routes and ATMs covering cash inventory audits, route audits, cash vault audits, process compliance audits, and other special audits certifications. Our high-technology platforms like CMS Agile, CMS Algo and our Python-based predictive analytics engine strengthen our risk management efforts.

Operating Context

Strong macro tailwinds creating unique opportunity

India's cash in circulation (CIC) figures have grown by 2x since demonetization. India has one of the lowest ATM penetrations in the world. Factors like strong growth of the BFSI, Retail, E-Commerce and Logistics, increasing formalization of the Indian economy, and maturing of the bank support outsourcing industry are all creating favourable tailwinds.



GROWING FORMALIZATION OF THE ECONOMY, BANKING SECTOR GROWTH INCREASING LAST-MILE DELIVERY NEEDS

With India's GDP growth rate for FY 2022-23 projected at 7.4%,¹ the country's informal economy has steadily grown too. The CII-CRIF² Rural Business Index indicates high confidence and strong double-

digit loan offtake in the rural areas even during the pandemic. With banking infrastructure projected to grow at 6% CAGR, accompanied by increasing financial inclusion initiatives, India's large informal economy is slowly getting covered by formal mechanisms. As all-round consumption-led growth spreads, we will see more demand for banking activities

¹<https://economictimes.indiatimes.com/news/economy/indicators/imf-cuts-indias-growth-forecast-ups-global-inflation-projection/articleshow/93142618.cms?from=mdr>

²<https://www.crifhighmark.com/news-events/press-releases/2022/jan/industry-is-high-and-upbeat-on-prospects-of-growth-in-the-rural-economy-cii-crif-rural-business-index>

specially in SURU areas which are currently underpenetrated last mile servicing and delivery services like micro-ATMs, loans verification and collections infra and business correspondent services are all expected to see growth.

FAST ECONOMIC GROWTH IS BROADBASING CONSUMPTION DEMAND

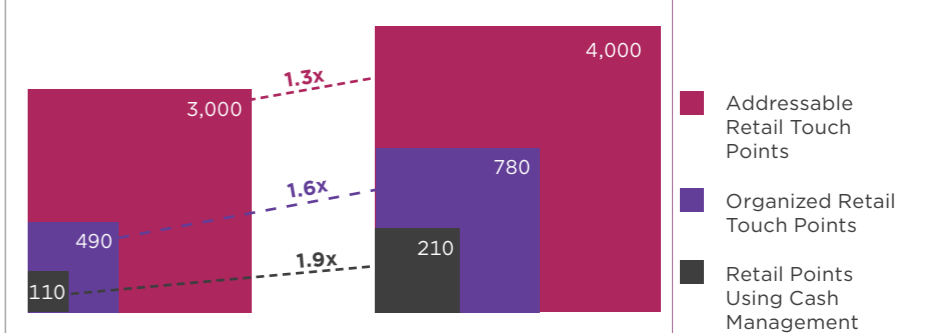
India is the world's fastest growing economy and was one of the earliest to rebound after the tapering off of the COVID-19 pandemic. As a result of many decades worth of social reforms and the government's push towards financial inclusion, the country, for the first time, is witnessing a truly secular broadening of the base of consumer demand. Disposable incomes have increased across Tier-2, 3 and 4 cities and towns and per capita incomes have improved vis-à-vis earlier times. Such forces are adding up to create consumption demand across India.

GROWING URBANIZATION EXPECTED TO DRIVE A POSITIVE SPIRAL FOR ORGANIZED RETAIL AND RETAIL CASH MANAGEMENT (RCM)

Low penetration of organized retail, at a mere 7% of overall sales, characterizes the Indian market. At the other end of the spectrum, USA enjoys 85% penetration and even our Asian counterpart Indonesia has a retail reach of 30%. Clearly, there is a long way to go. Expansion of retail beyond Tier 1 cities to Tier 2, 3 and 4 regions and semi-urban areas addresses a strong need gap and adds to

RESULTING IN MASSIVE GROWTH IN RCM AND REMOTE MONITORING MARKET SIZE

of Retail Touchpoints in India (in 000s)



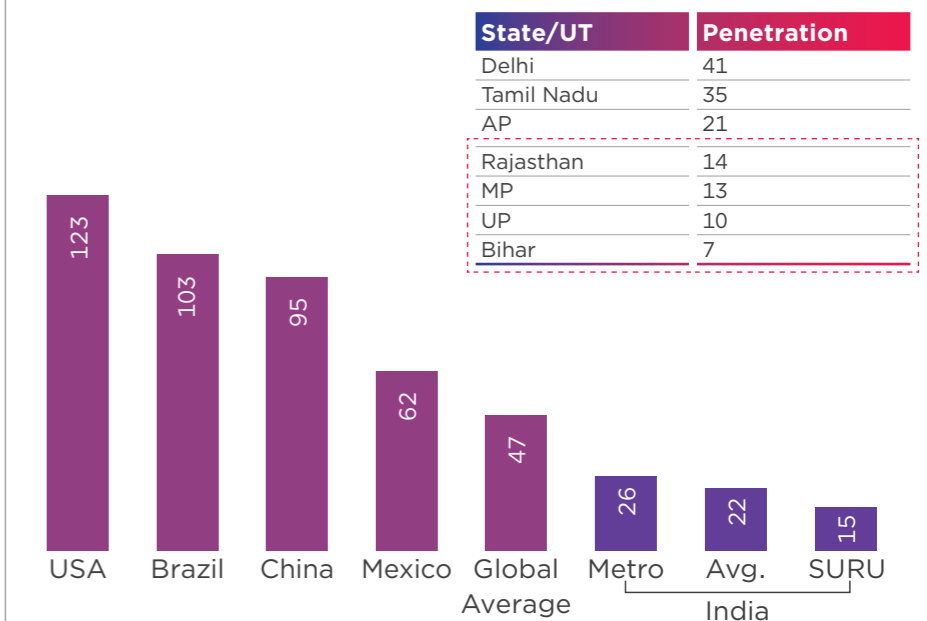
the 8% CAGR predicted for the sector. The growth in organized retail will lead to a rapid growth in total addressable market for Retail Cash Management

INDIA IS THE WORLD'S THIRD LARGEST ATM MARKET WITH SIGNIFICANT UNDER PENETRATION IN SEMI-URBAN AND RURAL AREAS (SURU) AND LOW CASH VELOCITY.

Despite being the third largest ATM market in the world, India's ATM penetration levels are

significantly lower than for BRIC countries. The global average is 47 ATMs per lakh of population, in India it is only 22, dropping to 15/ lakh persons in SURU areas. Likewise, the cash velocity for India is a meagre 1.5, much behind both developed and other developing nations where digital payments have even greater acceptance. Both Canada and China have a cash velocity of 8 while for Brazil it is 5.5.

OF ATMS PER 100K POPULATION (2020)



State/UT	Penetration
Delhi	41
Tamil Nadu	35
AP	21
Rajasthan	14
MP	13
UP	10
Bihar	7

Operating Context



REGULATORY FOCUS RESULTING IN SHARE SHIFT TO HIGH QUALITY PLAYERS

RBI is focused on providing high-quality, reliable service to customers and has introduced multiple norms for better compliance and maintainability of operating standards.

RBI and MHA compliance standards for currency

management³ have defined norms for third-party cash management outsourcing partners – setting baselines for minimum net worth, assets to be used, scale and laid down stringent SOPs. Additionally, RBI now also requires Indian banks to open at least 25% of their new branches, each year, in rural areas without banking access.

RBI has increased the interchange fee per ATM transaction from ₹ 15 to ₹ 17. Interchange fee is the amount that the card issuing bank pays to the bank whose ATM the customer is using. This move should further encourage ATM deployment.

³RBI/2017-18/152 DCM (Plg) No.3563/10.25.07/2017-18

BANKING ATM NETWORK REFRESH & EXPANSION CYCLE

The Indian banking sector is poised for a growth phase after nearly half decade of stagnation due to demonetization, high NPA levels, low credit offtake, GST and PSB mergers. Coupled with financial inclusion accelerators, more banks are likely to extend their network.

- India added 15,000 ATMs in the last 15 months and more than 40,000 ATMs are in the pipeline over the next 12-18 months
- As banks focus on core activities, they could shift to

end-to-end outsourcing. The ~40% ATMs that banks still retain in-house could move out.

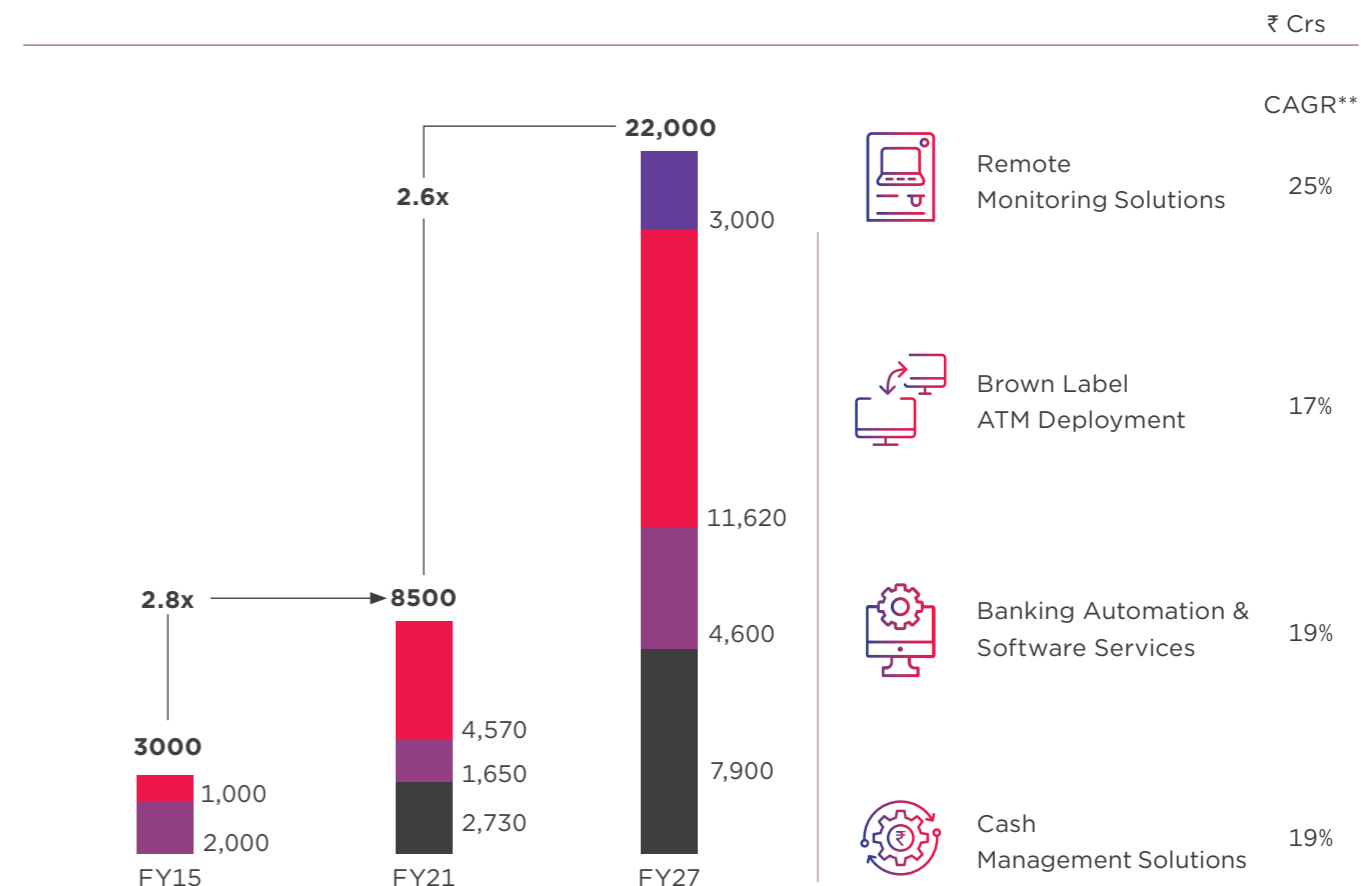
- RBI has recommended 24X7 monitoring of ATMs by banks and other providers as the banking infrastructure expands, creating a massive need for technology that assures safety, surveillance, efficiency and analytics.

TOTAL ADDRESSABLE MARKET (TAM) IS LARGE AND BANK PREFERENCE IS FOR INTEGRATED OUTSOURCING PLAYERS.

The TAM across the adjacent businesses of cash management, managed services and

payment solutions and remote monitoring technology has been continuously growing due to increasing use of technology, large spread of bank infrastructure, need for personalized service and interaction.

Therefore, banks are increasingly preferring to outsourcing a variety of their last-mile connectivity, logistics, security, verification and D2C needs to service providers who can function as a single point of accountability and have the size, expertise and financial strength to provide high-quality services.



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

**FY21-FY27 CAGR for the market opportunity

Business Strategy

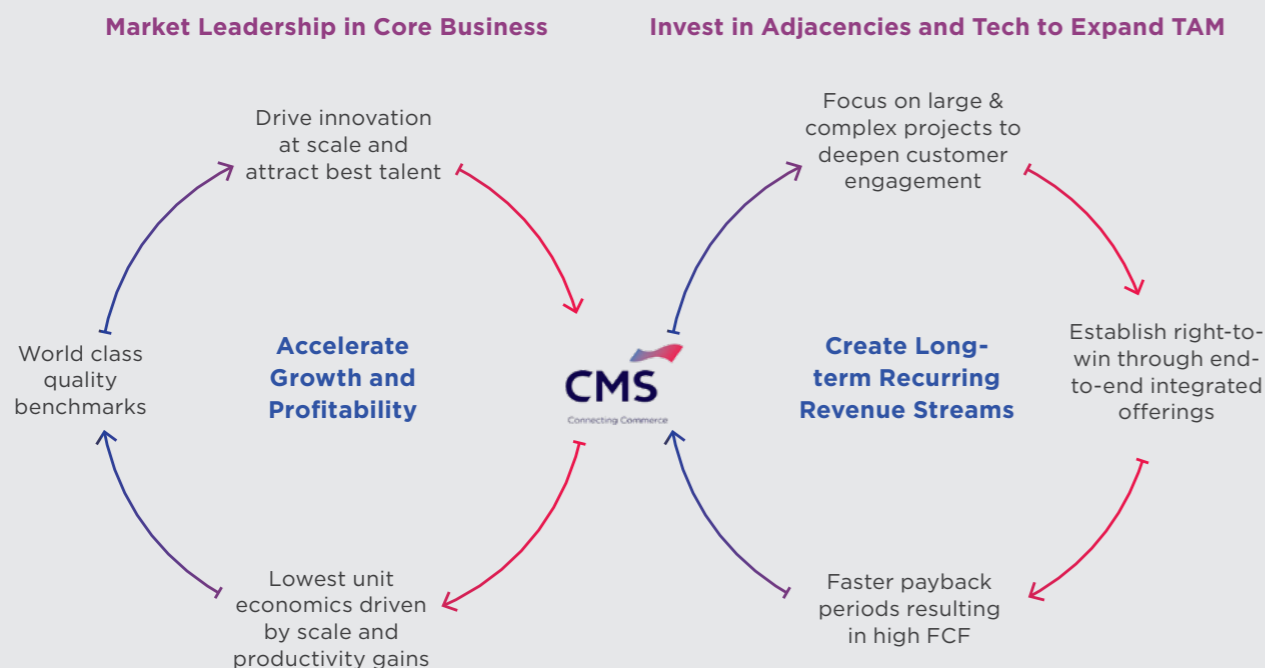
CMS' Leadership position and Network strength enable the flywheel effect

The growth of India's financial sector, coupled with RBI's continuous efforts towards standardization, compliance and security have made the operating environment rather complex for the BFSI sector. CMS views this as an exciting opportunity to function as an integrated business services platform, leveraging our existing network, deep expertise across multiple service verticals and integrated offerings.

We are leaders in the cash management industry with > 40% market share. With the vision of expanding our business, we have built up strong competencies in the logistics and technology domains and have successfully

grown our total addressable market 2.8X over the last 6-7 years. We have followed an intersecting flywheel strategy for ensuring fast growth with profitability while simultaneously developing

capabilities to service adjacent need areas and provide our customers with end-to-end services. We discuss our business strategy in greater detail below:



CMS seeks to grow business through the intersecting flywheels of accelerating growth through our core products to create a preferential position for ourselves in customers' consideration set, and then using that advantage, to secure new business in non-core areas where we are building up capabilities.

ACCELERATING GROWTH AND PROFITABILITY AND GROWING OUR CORE BUSINESSES

- By offering the lowest price point per unit and delivering world-class quality.
- Scale efficiencies, superior productivity drives cost advantage. Homegrown tech prowess leads to higher productivity.
- We drive innovation at scale to corral in the gains and to establish our brand image as a technology leader in our space.

We are a profitable, cash-rich company and this strengthens our core business. Our robust balance sheet allows us great leverage to

make prudent investments for market consolidation and opportunistic expansion.

INVESTING IN ADJACENCIES AND IN TECHNOLOGY TO EXPAND THE TOTAL ADDRESSABLE MARKET

- We constantly scan opportunities for expansion that offer attractive synergies.
- Focus on large, complex projects with opportunities for value added, recurring revenue streams.
- Grow share of wallet with clients by serving their 'areas of need' and building preference.
- Keep building our technology franchise.

KEEP EXPANDING AND EVOLVING OUR PORTFOLIO OFFERINGS

- We are already present all along the cash cycle value chain, and are constantly evaluating opportunities in adjacencies.
- Establishing ourselves in value-added banking solutions adjacencies given our existing client relationships,

ground-level network and sectoral understanding makes us best suited to offer services like micro-ATMs and BC Network, digital B2B payment solutions, collection services and documents and records management.

- Leveraging on our scale and reach and in-house technological competencies, we have built our ability to manage large and complex projects. We are ambitious about expanding into remote monitoring of facilities beyond ATMs/BFSI.

Portfolio development strategy

- Capitalize on the growing cash cycle
- Leverage scale and integrated offerings to increase profitability
- Expand into value added banking solution adjacencies

Key identified areas

- White label currency chests
- Retail cash vaults
- E-commerce logistics
- Franchise white-label ATMs
- Remote monitoring beyond ATMs
- Micro-ATMs & BC Network
- Digital B2B payment solutions
- Collections services



People

Passion. Performance. Pride.

We operate a critical service for the country and our teams display phenomenal dedication and commitment to deliver on-demand service which works 24 x 7, each day of the year.

Our business is unique in many ways - in the risk that underlies daily activities and in the complete integrity and regularity that it demands. Everyday must have zero downtime.



Money is an essential service and our people believe that every day, every hour. "Come rain or shine, flood or storm, border or bandh, festival or holiday, its business as usual." Be it COVID, demonetisation, Uttarkhand landslide or Chennai floods, we have been there in during times of need. What most enjoy as festivals or holidays, are always the busiest days for us. For keeping the country's financial circulation systems running is no ordinary business. Our business allows no downtime. As we spread our portfolio of services for customers, the future ahead demands the highest levels of service consistency from us.

Our organization follows professional meritocracy and is run with discipline, rigor and empathy. We regard our teams as family and support our employees through difficult times, ensuring that their needs are well taken care of. This was particularly evident during the successive waves of the COVID-19 pandemic, with task forces and quick-response teams (QRT) set up across the country to monitor employee health. A 24x7 monitoring centre was also set up for the same. A central procurement team managed critical resources such as emergency kits, prescription medicines and oximeters, with more than 40 oxygen concentrators made available across various locations and 200+ oximeters sent to home-quarantined employees.



Running a sustainable business which generates employment for over 20,000 people is a big responsibility and we take it seriously. This entails a long-term focus, pragmatic investment approach and also making sure that we do the small things right.

Our people policies focus on:

- Building a strong current and future leadership pipeline at all levels within the organisation
- Investing in employee experience to create a People First culture, that embraces diversity, equity and inclusion
- Building strong organisational capabilities by upskilling employees through relevant Learning and Development initiatives
- Driving digital transformation in HR for faster people management
- Ensuring a local focus by adopting people strategies that are customized to the needs of the region along with other overarching talent priorities like talent readiness and leadership

building. With a geographical spread covering more than 90%+ districts in India, the local focus is necessary to find the right talent.

- Drive effective labour relationship management to ensure smooth workflow on the ground

OUR CULTURE AND VALUE ECOSYSTEM

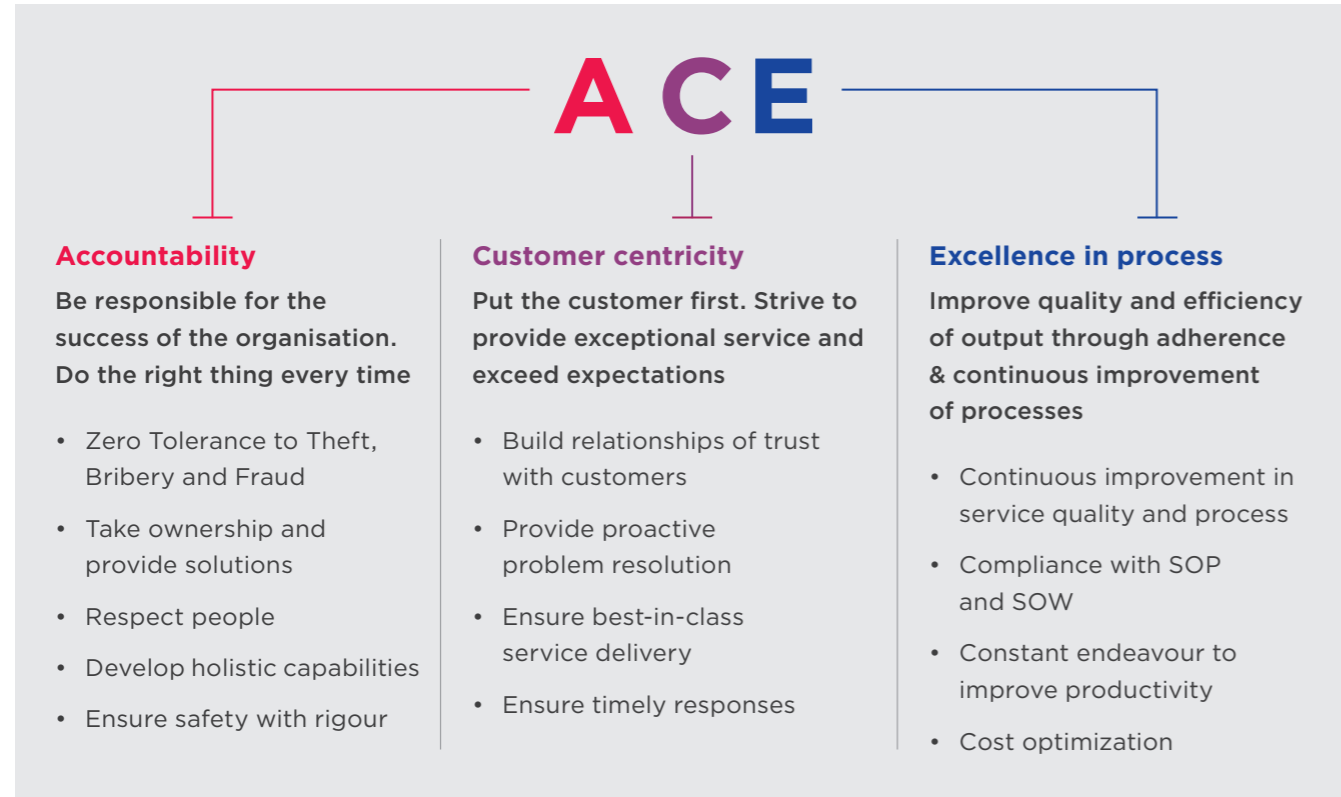
Every day at work we try to excel at what we do. At CMS, we strongly believe that every day gives us a chance to become better versions of ourselves, so that we can serve our customers and stakeholders better and do better for the organization.

The organizational culture that we promote and applaud revolves around High Performance, High Compliance and High Engagement. We have partnered with an external organization to conduct a detailed analysis of our differentiators and action areas so that we can build a more cohesive culture.

People

We have formalized the pillars of our value system into a framework called ACE that very clearly lays out the many different values and qualities that we want to inculcate in our people

ACE reinforces three behavioural routes:



Our values stimulate the behaviours we display and influence the actions that we take. ACE attempts to build the values that correlate with organizational goals and culture, so that the emerging actions lead to flawless execution and delivery, that are consistent with improvements in productivity and process excellence without compromising on employee well-being and safety.

ACE is meant to be a way of life for every CMS-ite and our performance evaluation systems and reward programmes evaluate how these values are manifested through the work done. Regular propagation of these values is also done by our leaders, through open houses and townhalls, to ensure that all employees are well aligned.



CMS is amongst **Top 10%** of listed firms on NSE with three or more women board members.

TALENT ACQUISITION

We provide a critical essential service, as the money we move helps people to meet their daily needs - to buy food and medicines and take care of their families. It is important that our employees share our spirit of service, delivery excellence and responsibility. CMS hires an excellent mix of professionals from diverse backgrounds.

We have provided job opportunities to more than 1,500 youth under the National Apprenticeship Promotion Scheme (NAPS). This scheme falls under Central government's Skill India mission and its objective is to create new opportunities for development of talent and skill to make the youth

40% hires in senior leadership for new roles

35% regional leadership ex Army Men

market-ready across sectors. More than 40% of hires in senior leadership was for new roles.

DIVERSITY AND INCLUSION

At CMS we believe in the whole spectrum of diversity, across gender, disability, sexual orientation, ethnicity, social, generational and cultural differences and we promote this culture amongst our employees. We acknowledge that diversity needs respect to flower to its full potential, so that people are comfortable being themselves. Our personnel come from diverse backgrounds, like

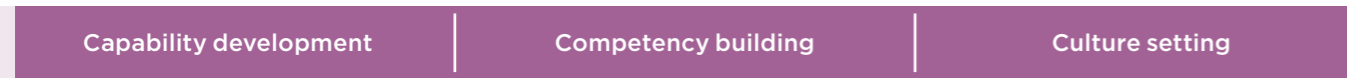
finance, IT, technology, logistics, telecommunication and BFSI. The nature of our business requires the hiring of ex-policemen, ex-armed forces personnel as they bring very crucial training and attitudes into the organization. Thirty five percent of our Regional and Branch managers are ex-servicemen who bring in the required discipline into their daily operational roles.

CMS prides itself in being an equal opportunity employer by not discriminating between partially abled, other genders or returning mothers.



People

THE KEY FOCUS AREAS FOR THE ORGANISATIONAL DEVELOPMENT INITIATIVES AT CMS ARE:



Capability Building

A strong leadership and talent pipeline lies at the core of sustainable and profitable business outcomes. We implement this through competency enhancement that involves encouraging autonomous operations across regions and zones through a decentralized decision-making model and P&L responsibility.

Some of our prominent initiatives across leadership, capability and competency enhancement are the CMS-Great Leadership Program, CMS-Accelerated Leadership Program and CMS-Operational Leadership Program whose key features are shared below:

CMS-Great Leadership Programme (GLP), CMS-Accelerated Leadership Programme

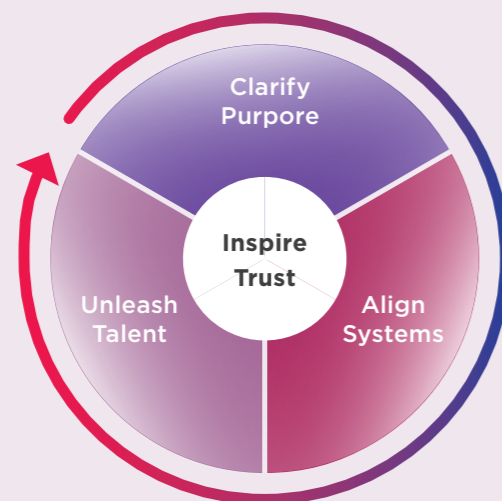
- With a target group of Senior Directors and Directors
- Administered in association with our partner, Franklin Covey
- Involves a Strategic Leadership journey with an Organizational Development approach
- The program equips leaders to come up with a wholesome vision, develop talent and to provide strategic leadership to the business

CMS-Accelerated Leadership Program (ALP)

- With a target group of Associate Directors
- Administered in association with our partner, Ken Blanchard
- Involves advanced leadership engagement
- Seeks to enhance people management capabilities, greater client centricity and to build awareness around innovation and higher productivity.

CMS-Operational Leadership Program

- The target group is Branch Managers
- Administered in association with our partner, People Business
- The course curriculum focuses on ways to improve operational excellence, build better teams on the ground and develop client-centred operations.



Training and development forms the backbone of our organization as we develop the workforce that we need to deliver the work that we do - faultlessly, every time. As an essential service provider for banks, financial institutions, industries and the public at large, an immense amount of trust and responsibility is reposed in CMS. We develop our employees in such a way that they can deliver on that trust, and are capable of acting with full responsibility.

We train our people across all levels of the organization. Given below are details of some of our other programmes:

- New Hire Orientation (NHO) programme: Every new joiner undergoes training for insight on CMS's processes and ways of functioning for better assimilation.
- CFP (Cash Foundation Program) & MS Foundation Programmes: These are aimed at our field force.
- Self Regulatory Organization Certification training: Required for qualifying for the SRO certification, which is a mandate under Reserve Bank of India (RBI) guidelines for field staff.



The CMS Learning Academy greatly multiplies the training resources that are available to us in addition to industry veterans. It helps us to comprehensively train our workforce by focusing on enhancing their skills and knowledge in areas relevant to our business.

Both our employees and those provided by our third-party service providers are trained in specific areas or specialized operations, on a need basis. We believe in organic growth as a means of incentivizing retention and motivating employees, and

more than 65% of our branch leaders have grown internally through the ranks.

We are also committed to developing processes and systems that support our workforce and our current scale of operations, while also remaining scalable. For this reason, an integrated HRMS platform has been developed to address our people's needs. The platform provides a seamless employee experience while directly impacting business outcomes.

People

HEALTH AND SAFETY

Creating a safe workplace and ensuring our employees' health and wellbeing are of utmost importance. We have a health and safety policy that lays down measures for ensuring the safety of all our workers - our employees, the personnel provided by our third-party service providers and third-party security service providers, as well as the people working in and around our business or under our management. As a market leader, we feel responsible about setting the best employee management standards.

The risk profile of our industry is higher than most and we take great care to have the best work safety measures in place. We believe that accidents and occupational health hazards can be significantly reduced through systematic analysis and therefore regularly hold road safety campaigns, especially targeting our field staff, to constantly reinforce basic protocols while driving/riding. We encourage accident reporting and reporting of hazardous situations or faulty property or vehicles to supervisors as part of accident and untoward event prevention.

WORKPLACE SEXUAL HARASSMENT POLICY

CMS has a Workplace Sexual Harassment policy (POSH), and details of the internal committee (IC) that addresses POSH-related issues, are prominently displayed on all branch notice boards for easy access. Regular awareness programs are conducted for new and existing employees regarding the company's zero intolerance towards any kind of intimidating behaviour, including POSH, and

information is shared on the channels to be used for raising a complaint.

INITIATIVES FOR EMPLOYEE ENGAGEMENT

Keeping our employees happy and engaged is integral to our goals and our organizational growth. We strive to attract the best talent in the industry and to provide a compelling employee value proposition which includes their all-round development. We recognize our high performers; provide a safe, stimulating work environment; provide adequate opportunities for upskilling and learning and give them adequate incentives for better performance and self-development.

We have implemented a robust reward and recognition framework, known as Simply Excellent, across all our functions. Over 3,500 employees and third-party associates were awarded under our Simply Excellent framework in FY 2022. Other reward initiatives include Bravery Awards (Lion Heart and Brave Heart), which are awarded to those employees who exhibit exemplary integrity and valor in the face of threat and danger. The awardees get a cash award as a token of our tribute to their spirit.



In addition, injured awardees receive complete medical treatment assistance irrespective of their coverage under government / private medical schemes. In the unfortunate circumstance of loss of life, the immediate dependents receive a special ex-gratia payout.

Tenure milestones are celebrated to recognize employees' contributions over the years.

CMS recognizes and lauds the academic excellence of our employees' children through Udaan. Under this programme, which is run on a pan-India basis, every child who has secured overall scores of 75% and above in their Standard X or XII examinations, across educational boards in the country, is eligible to submit their mark sheets for award evaluation. Employees and their children are then felicitated with certificates and a cheque - the recognition helps to encourage them to continue excelling. Till date, around 500 children have been recognised and rewarded.

Other benefits that the company provides include the CMS Family Suraksha Plan, Group Mediclaim and Group Personal Accident Insurance for our employees and certain third party service providers.

PRESENCE OF MIND AND PROMPT ACTION PREVENTS ROBBERY



An SBI ATM in Birbhum, West Bengal, had been compromised and Ravindra Warghade, the remote monitoring tech center excutive received alerts from the site.

He immediately actioned the standard protocols followed during such events, which led to the police being alerted and the burglar was soon caught at the ATM lobby.



We pay homage to our colleagues and team members who lost their lives during the year to the pandemic or due to other causes. Our thoughts are with their families and they will remain a part of the CMS family forever.



Remembering Mahesh Zonal Head, South India

We deeply miss our colleague and dear friend Mahesh who passed away in July 2021 after suffering a massive heart attack. Mahesh was with CMS for over 21 years and ran our largest field operation.

He hired, developed and managed thousands of our team members and groomed many into senior position in CMS. He commanded respect and goodwill across the industry.

He was always considered as someone who perfectly embodied the CMS values. His dedication to company, his team and colleagues and customers made him an exemplary role model. We depended on his leadership countless times, whether it was to manage a customer issue, a strategic project or a crisis.

He would have been really proud to see where CMS is today and we miss him immensely.

COURAGE AND BRAVERY SAVE THE DAY



We are in the business of Risk Management. Nothing demonstrates this better than the situation Cash Officer Prabhunath Pandey, gunmen Nand Lal and Yogendra Tiwari and driver Shesh Nath found themselves in. The team helped to save ₹ 30 lakh cash they had collected from an ATM after being attacked by robbers.

Social

Resolving challenges, embracing diversity

CMS is geographically connected with nearly every corner of India. Our company firmly believes that any organization’s long-term growth is intertwined with the progress of the communities it operates in.

Our people are drawn from local communities where we are present, and we are keen to get involved with the diverse populations that we connect and serve.



From India’s smallest towns to its biggest cities, CMS Info Systems embraces the vastness and diversity that is India and is witness to the many developmental hurdles that our people face. We have thus been working in a concerted manner, with annual focus areas earmarked, and relevant NGOs aligned for carrying out the social interventions that we wish to enable.



Here we present a brief overview of the work that is underway. In FY22 our NGO partners and corresponding focus areas were:

<p>Goonj-NEEV Takes a holistic approach and seeks to create all-round change involving education, agriculture, environment, water and health</p>	<p>Manuvikasa Rejuvenation of water bodies and water harvesting</p>	<p>Basic Healthcare Services Provision of primary healthcare for poor and tribal communities</p>	
<p>Project Chirag Solar power and water independence</p>	<p>The Hans Foundation Provision of healthcare to remote parts of the country</p>	<p>LeapForWord Education and English literacy</p>	<p>Bharatiya Gramin Vidyalaya Virtual school for rural children</p>

We have identified identified our areas of involvement as:

Livelihood & environment

Elderly and aged

Education

Healthcare initiatives

Social



CMS, with the help of Goonj, has systematically intervened to deepen ponds and repair wells so that water storage could be done.

Choked water bodies and drains have been cleaned to facilitate easy collection and flow of water. Roads, bridges, schools and community spaces are also being repaired to improve accessibility and encourage use.

GOONJ

CMS has partnered with Goonj to work in the Bangriposi and Sarasakana villages of Mayurbhanj district in Odisha. This area is tribal-dominated, with majority of the population belonging to the Santhal tribe. Their primary source of livelihood is paddy farming, which is rainwater dependent. Better water management would provide greater security to livelihoods but is a challenging task due to the difficult hilly terrain. Uncertainty of income forces many to migrate.

In these two villages, Goonj has engaged with the village community to create impact in a number of ways. It has helped enlist community participation in the development work, and by doing so has been able

to motivate the villagers to participate in the changes that they want to see in their villages. This has been in the form of reviving irrigation and village infrastructure and creating awareness around menstrual health and hygiene. To enable better water availability, the villagers have deepened ponds and repaired wells so that water can be stored more efficiently; drains and water bodies have been de-clogged to enable easy water flow. Village roads have also been widened and tarred, and schools and community spaces that were in broken down condition, have been repaired.

Involving backward tribal women in conversations around menstrual health is a herculean task, given the many social and

behavioural barriers. However, these have been successfully breached, leading to greater awareness about menstrual hygiene and their adoption of reusable cloth sanitary napkins. This cycle of environmentally-friendly, people-led change has all been achieved by reusing urban surplus as a resource. Urban surplus has been used to incentivize the rural people through 'work in exchange for material' programs, while simultaneously saving the urban waste from ending up in landfills.



MANUVIKASA

Manuvikasa works primarily in the Uttara Kannada, Haveri, Dharwad and Shivamogga districts of Karnataka. CMS has partnered with them to rejuvenate eight lakes in that region. These lakes have been deepened and cleaned, consequently increasing their water holding capacity and enabling better groundwater recharge in the future. The excavated silt is transported to the fields in the village and used as manure which increases soil fertility. Overall, a virtuous cycle is set into motion as prospects of animal husbandry and horticulture also improve as an ancillary impact.

As a result of the deepening and desiltation of the lakes:

- 316 families and 1575 acres of agricultural land have been directly benefited
- An additional 52 million litres of water has been harvested, bringing the total amount of water storage to 80 million litres
- Improved groundwater recharge and groundwater availability
- Second and third crop harvesting now possible due to year-long water supply, enhancing food security and livelihoods
- Additional 270 families in 8 villages have been able to improve their livelihood prospects from animal

husbandry and fishing due to improved water availability

- Additional 50-70% of land is now being irrigated due to availability of silt for manure and year-round water availability.
- Improvement in quantity and quality of drinking water, leading to better health
- Increased tree cover

Manuvikasa involves the community in the planning, implementation and monitoring of the program. Cost is shared with the beneficiaries to ensure a sense of commitment and responsibility.

Approximately 40% of all project costs are borne by the community, while CSR grants fund the rest.

Social



THE HANS FOUNDATION

Access to healthcare and equitable distribution of health services is a basic human need. CMS, along with The Hans Foundation, has deployed a medical mobile unit (MMU) in the Ranchi district of Jharkhand, which is identified as having poor socio-economic indicators. The purpose is to improve access of good-quality healthcare to the poor people living in this area. The mobile medical unit is equipped to provide OPD services, including pathology and medication.

The MMU holds fortnightly OPDs at identified villages and registers and tracks the progress of patients who visit. The more

serious cases are referred by the MMU to the first referral service center which maybe a Primary Healthcare Centre.

Regular health education sessions are also held and they help to raise awareness about issues pertaining to health and sanitation, thereby reducing the incidence of preventable diseases. Further, village health workers are also trained in MMU services and they then make home visits for those patients who are unable to reach the MMU. They also help sensitize the villagers on good health practices, and gradually create long-term behavioral change.

CMS, along with The Hans Foundation, has deployed a medical mobile unit in Ranchi, Jharkhand. It is equipped to provide OPD services, pathology and medication and visits to at least two villages everyday.



BASIC HEALTHCARE SERVICES TRUST

CMS has partnered with Basic Healthcare Services Trust to provide uninterrupted, affordable healthcare in the form of regular clinics to tribal and migration-prone communities in southern Rajasthan.

Primary healthcare workers and community volunteers are trained in the field. The rural and tribal communities who are the beneficiaries cannot afford primary healthcare and are provided with good quality healthcare through these clinics. Serious and life-threatening conditions are referred to the nearest tertiary care hospitals in a timely fashion, and reduces loss of lives. Patients requiring specialized care are supported for planned referral care

Monthly trainings of primary healthcare nurses, health workers and community volunteers are also conducted. On-the-job mentoring and support is provided by trained nurses to primary healthcare nurses.

BHARATIYA GRAMIN VIDYALAYA

Bharatiya Gramin Vidyalaya is a small school in the Mahona district of Lucknow, located in an area where education is not considered a primary need by its resident population. CMS provided the school with a grant to improve its infrastructure and create capabilities for conducting classes online. Two classrooms have thus been equipped with projectors, audio equipment and high-speed internet connections so that online classes can be easily held.

The need for online classes was felt because the teachers in the

school are usually locals and often not qualified enough to expand the horizons of their students. Through the medium of online classes, CMS wants to facilitate the opening up of minds by providing links with teachers and mentors from across the country. These real-time virtual classes lead to interactive involvement that is lacking in recorded classes. This can help expose these underprivileged students to the completely different environments available elsewhere and bring them at par with their urban counterparts.



Board's Report

Dear Members,

Your Directors have pleasure in presenting the Fifteenth Annual Report together with the Audited Standalone and Consolidated Financial Statements for the financial year ended March 31, 2022.

FINANCIAL HIGHLIGHTS

Summary of the operations of the Company on standalone and consolidated basis for the financial year ended March 31, 2022 is as follows:

Particulars	₹ in Million			
	Standalone		Consolidated	
	2022	2021	2022	2021
Revenue from Operations	14,076.69	11,309.01	15,896.71	13,060.90
Total Expenditure	11,362.40	9,345.98	12,961.36	10,841.71
Net Profit Before tax	2,849.20	2,106.01	3,014.45	2,377.50
Profit for the year	2,134.68	1,516.77	2,240.38	1,685.23
Equity Share Capital	1,531.53	1,480.00	1,531.53	1,480.00
Other Equity	10,587.57	8,031.95	11,029.77	8,364.76
Net Block	6,372.33	4,401.78	7,503.56	5,330.96
Net Current Assets	4,044.27	3,459.09	5,227.44	4,666.30
Cash and Cash Equivalents (including bank balances)	956.04	1,426.00	1,417.77	1,945.49
Earnings per Share				
(Basic) (in ₹)	14.35	10.25	15.07	11.39
(Diluted) (in ₹)	13.66	9.98	14.33	11.09

During the year under review, your Company has reported a Profit before Tax of ₹ 2,849.20 Million on standalone basis as compared to ₹ 2,106.01 Million in the previous year. Net profit grew to ₹ 2,134.68 Million in 2021-22 from ₹ 1,516.77 Million in 2020-21. The revenue from operations is ₹ 14,076.69 Million as compared to ₹ 11,309.01 Million in the previous year.

Further, your Company's consolidated revenue from operations is ₹ 15,896.71 Million, representing an increase of 22 % over the previous year. During the year under review, your Company has reported a consolidated Profit before Tax of ₹ 3,014.45 Million as compared to ₹ 2,377.50 Million in the previous year. Net profit for the year of ₹ 2,240.38 Million is 33 % increase over the previous year.

HIGHLIGHTS OF HISTORICAL PERFORMANCE PRIOR TO LISTING

During the previous financial year (FY21), while the Indian economy shrank 8%, your Company's revenues dropped marginally by around 6%, and the Company was still able to expand its EBITDA margins by over 400 bps. In comparison, even though the current financial year was also impacted by the severe second wave of COVID-19 and the threat of third Wave, your Company's revenue from operations was ₹ 15,896.71 Million, which is an increase of 22% over the previous year.

FINANCIAL PERFORMANCE FOR THE YEAR ENDED MARCH 31, 2022

Summary of Consolidated Financial Performance

	₹ in Million			
	FY22	FY21	Inc/(Dec)	Inc/(Dec)
Revenue from Operations	15,896.71	13,060.90	22%	2,835.81
Other operating income	19.56	87.57	-78%	-68.01
Purchase cost	1,537.96	1,796.49	-14%	-258.53
Employee benefits expenses	2,315.45	2,015.84	15%	299.61
Service and security charges	3,207.18	2,651.89	21%	555.29
Vehicle maintenance, hire & fuel cost	1,508.78	1,116.84	35%	391.93
Other expenses	3,329.66	2,543.78	31%	785.88
EBITDA	4,017.24	3,023.63	33%	993.61
Other income (MF gain)	24.70	11.56	114%	13.14
Finance income	34.85	59.19	-41%	-24.34
Finance cost	143.90	82.32	75%	61.58
Depreciation	918.43	634.55	45%	283.88
PBT	3,014.45	2,377.50	27%	636.95
Tax	774.07	692.27	12%	81.80
PAT	2,240.38	1,685.23	33%	555.15
Other comprehensive income	3.77	-1.39	-372%	5.16
PAT after OCI	2,244.15	1,683.84	33%	560.31

The revenue from operations grew at 22% year-on-year basis. Your Company reported an EBITDA of ₹ 4,017.24 Million, an increase of 33% as compared to the previous financial year. During the year, your Company also reported profit after tax after (OCI) of ₹ 2,244.15 Million as compared to ₹ 1,683.84 Million in the previous year, representing an increase of 33%.

The good performance was on account of strong revenue growth and significant improvement in margin across both the Cash Management and Managed Service segments.

	₹ in Million			
	FY22	% of Revenue	FY21	% of Revenue
Revenue				
Cash Management	10,587.72	66.6%	8961.25	68.60%
Managed Service	4,896.29	30.8%	3,641.01	27.88%
Cards	412.70	2.6%	458.64	3.52%
Total Revenue	15,896.71	100.0%	13,060.90	100.0%

The Cash Management business revenue grew at 18% over the previous financial year registering ₹ 10,588 Million which is driven by growth in points on account of strong market consolidation trends supported by the banks increased preference to high quality cash management companies. Your Company registered a very strong volume and market share growth across all sub business segments and continued to drive automation among various operational processes using technology which has helped to maintain and grow the margins despite very strong inflationary pressures in terms of rising fuel and commodity prices due to unexpected Russia-Ukraine conflict and its broader geo political implications.

The Managed Services business has continued on its strong growth trajectory as its revenues of ₹ 4,896 Million grew by 34% in this year as compared to the previous financial year. The growth in this segment for this year is on account of execution of order book which your Company had won over the last 12-18 months.

BUSINESS OVERVIEW / COMPANY'S PERFORMANCE:

Your Company is one of India's leading business services companies and India's largest cash management company based on number of ATM points and number of retail pick-up points as of March 31, 2022, and offers its customers a wide range of tailored cash management and managed services solutions, including ATM

network management, retail management and managed services. The Company manages the entire flow and management of money for the 1,50,000 business points that it serves every day - from when the RBI initially deposits cash in the bank's currency chests, to when cash is deposited back in banks after going through the various stages of the cash cycle.

CASH MANAGEMENT BUSINESS

Your Company continues to maintain its market leadership across segments of the cash management industry. In ATM cash management segment, your Company's market share based on number of ATMs outsourced for cash management increased from 42% as of March 2021 to 47% by March 2022. We also maintained our market leadership in the Retail Cash Management and the Dedicated Cash-in-transit vans segments, with a market share of 36% and 28%, respectively.

Our total business points for cash management have grown from 103,000 in March 2021 to 113,000 by March 2022, an annual growth of 10%.

With the continuous push for compliance implementation, the Company has been able to achieve ~35% RBI & MHA compliance for its business points. Compliance implementation, coupled with easing of lockdowns and opening up of the economy, has also driven improvement in realisations.

We have continued to focus on enhancing route productivity and achieved gains in productivity and fuel efficiency, that demonstrate the sustained improvement in profitability in the segment.

MANAGED SERVICES BUSINESS

Managed Services business has seen a strong growth across segments driven by the partial execution of the ₹ 20 Billion order book won over the last 18 months and new wins across Brown Label ATMs, Remote Monitoring, Banking automation products and kiosks.

Despite COVID-19 linked supply chain restrictions, your Company has successfully completed the execution of State Bank of India and another public sector bank Brown label ATM deployment. We are pleased to share that ATMs managed by your Company are delivering robust uptime and healthy transactions trend.

As of March 2022, your Company managed over 12,000 ATMs under Brown Label and Managed Services models, up from around 10,000 a year ago and around 6,000 in March 2020.

CMS entered the Remote Monitoring space in FY 2021-

22 through an acquisition which was followed up with two large wins for SBI and a public sector bank for a consolidated order book of over 20,000 sites for remote monitoring. We are pleased to share that we have a state-of-the-art CERT-IN certified Remote monitoring platform that uses AI-driven intelligent technology to monitor more than 10,000 sites across ATMs, bank branches and gold loan NBFC branches. During the last 6 months, remote monitoring set up prevented 108 Thefts, 63 Frauds and alerted four Fires.

CMS REMOTE MONITORING CAPABILITIES

Your Company's Software Solutions suite also continues to deliver wins with leading banks in the country. A few years ago, we had developed ALGO - world's first AI-based ATM security software. We are pleased to inform that we are deploying the solution for a large public sector bank's 7,000 ATMs. In addition, our Multi-Vendor Solution (MVS) also powers ~50,000 ATMs of India's largest bank, State Bank of India.

In addition, we continue to secure wins in the banking automation solutions business and won orders for kiosks for leading public sector banks.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of your Company for the financial year 2021-22 are prepared in accordance with the provisions of the Companies Act, 2013 ("Act") and Ind AS 110-Consolidated Financial Statements and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Your Directors have pleasure in attaching the audited consolidated financial statements pursuant to Section 129(3) of the Act and Regulation 34 of Listing Regulations. The Audited Consolidated Financial Statements forms part of the Annual Report.

INITIAL PUBLIC OFFERING

During the year under review, your Company successfully completed its Initial Public Offer (IPO) of 50,925,925 equity shares of face value of ₹ 10 each for cash at a price of ₹ 216 per equity share aggregating to ₹ 1,100 Crores through an offer for sale of 50,925,925 equity shares by Sion Investment Holdings Pte. Limited which constituted 34.41% of post-offer paid-up equity share capital. The bid/offer opening date was December 21, 2021 and the bid/offer closing date was December 23, 2021. The equity shares of the Company were listed on December 31, 2021 and trading on equity shares commenced on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on December 31, 2021. Your Directors placed on record their appreciation of contributions made by the entire IPO team especially

in the tough times of the COVID-19 pandemic with all the dedications, diligence and commitment which led to successful listing of the Company's equity shares on the BSE and NSE. Further, the success of the Initial Public offering reflects the trust and faith reposed in the Company by the Investors, customers and business partners and your Directors thank them for their confidence in the Company.

DEMATERIALIZATION OF SHARES

All the Shares of your Company are in Dematerialization mode except 5 Equity Shares which are held in physical mode as on March 31, 2022. The ISIN of the Equity Shares of your Company is INE925R01014.

DIVIDEND

The Board of Directors of your Company had recommended on May 4, 2021 an Interim Dividend @ ₹ 0.62 only per equity share on the entire issued, subscribed and paid up 14,80,00,000 equity shares of nominal value ₹ 10/- each. The Interim Dividend was accordingly, paid to those shareholders whose names appeared in the Register of Members as on the record date i.e., May 4, 2021.

Further, the Board of Directors of your Company have recommended on October 19, 2021 an Interim Dividend @ ₹ 0.91 only per equity share on the entire issued, subscribed and paid up 14,80,00,000 equity shares of nominal value of ₹ 10/- each. The Interim Dividend was accordingly paid to those shareholders whose names appeared in the Register of Members as on the record date i.e., October 19, 2021.

Your Directors are pleased to recommend a final dividend of ₹ 1/- per equity share on face value of ₹ 10/- each i.e., 10% for the financial year ended March 31, 2022. 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 the Record Date. Thus, the aggregate dividend for the Financial Year 2021-22 would be ₹ 2.53/- per share (i.e., 25.30%).

DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of Listing Regulations the top 1,000 listed entities based on market capitalization are required to formulate a Dividend Distribution Policy. Accordingly, your Company had formulated and adopted its Dividend Distribution Policy, which is available on the Company's Website at www.cms.com.

CORPORATE OFFICE OF THE COMPANY

Your Directors for the purpose of smooth functioning of Company's business operation and better coordination

with stakeholders, have set up a Corporate Office of the Company at the following address:-

CMS Info Systems Limited
Grand Hyatt Mumbai,
Lobby Level, Off Western Express Highway,
Santacruz East, Mumbai - 400 055
Tel.: 022-48897400
E-mail: investors@cms.com

TRANSFER TO RESERVES

Your Directors do not propose to transfer any amount to general reserves.

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 between the end of the financial year and the date of this Report.

CHANGE IN NATURE OF BUSINESS

During the year under review, there was no change in the nature of the business or any activity of business of the Company.

SUBSIDIARIES

As on March 31, 2022, the Company has 5 subsidiaries, the names of the subsidiaries are given below:-

1. Securitrans India Private Limited
2. CMS Securitas Limited
3. CMS Marshall Limited
4. Quality Logistics Services Private Limited
5. Hemabh Technology Private Limited

The Company does not have any joint venture/associate Company(ies) as on March 31, 2022. During the year under review, none of the companies ceased to be a subsidiary of the Company.

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, the salient features of financial statements, performance and financial position of each subsidiary is given in Form AOC-1 as **Annexure 1** to this Report.

The Audited Financial Statements of the Subsidiaries are available on the Company's website at www.cms.com pursuant to Section 136 of the Companies Act, 2013.

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. Accordingly, Securitrans India Private Limited is the material subsidiary of the Company.

SHARE CAPITAL

The paid-up share capital of the Company as on March 31, 2022 is ₹ 153,15,27,470/- divided into 15,31,52,747 equity shares of ₹ 10/- each.

During the year under review, the paid-up equity share capital of the Company has increased from ₹ 148,00,00,000 to ₹ 153,15,27,470 due to the issue of shares under Employee Stock Option Plans (ESOP) implemented by the Company. The details of allotment made during the year as of March 31, 2022 is as under:

Sr. No.	Particulars of allotment of equity shares	Number of Shares	Date of Allotment	Cumulative number of Shares
1	Existing equity share capital	14,80,00,000	Existing	14,80,00,000
2	Pursuant to exercise of options	45,74,376	February 4, 2022	15,25,74,376
3	Pursuant to exercise of options	5,78,371	March 12, 2022	15,31,52,747

During the year under review, the Company has not issued any shares with Differential voting rights. The Company has neither issued Sweat Equity shares nor bought back any shares. The Company does not have 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 Board of Directors at their meeting held on October 19, 2016 and the members of the Company at the General Meeting held on October 20, 2016 had approved following employee stock option plans:

- (i) CMS CEO Stock Option Plan, 2016 ("CEO ESOP 2016");
- (ii) CMS Management Stock Option Plan 2016 ("Management ESOP 2016"); and
- (iii) CMS Employees Stock Option Plan 2016 ("Employees ESOP 2016").

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

During the year, the Board of Directors at their meeting held on August 10, 2021 have amended CMS Management Stock Option Plan 2016 and the number of options were increased from 19,73,333 to 25,19,366 and the exercise price stood increased from ₹ 123/- to ₹ 165/-.

Further, since the Company was intending to list its securities by way of an Initial Public Offer, the Employees ESOP Plan 2016 was amended and approved by the Board and Shareholders on August 13, 2021 empowering the Nomination and Remuneration Committee to determine the performance criteria for each financial year and relax such criteria wherever required for the purpose of vesting the stock options to the eligible employees.

Pursuant to the approval of the Board and the Shareholders' at their meetings held on September 10, 2021, ESOP plans of the Company were amended and replaced in entirety in order to align them with SEBI SBEBSE Regulations.

Further, based on the recommendation of Nomination and Remuneration Committee at their meeting held on October 28, 2021, the Board further amended the ESOP exercise period of vested options in ESOP plans/ Policies of the Company.

In terms of the Regulations 12(1) of the SEBI SBEBSE Regulations, for making any fresh grants under the Employees ESOP 2016, the Company's Employees ESOP 2016 was required to be ratified by the shareholders of the Company. Accordingly, the same was ratified by the Board at its meeting held on February 4, 2022 and approved by the Shareholders through a Postal Ballot on March 15, 2022.

The Company has obtained certificates from the Secretarial Auditors of the Company stating that the Schemes have been implemented in accordance with the SEBI SBEBSE Regulations and the resolutions passed by the members. The certificates are available for inspection by members in electronic mode. Disclosures as required under SBEBSE 2021, with respect to the Company's ESOP Schemes, as on March 31, 2022 are available on our website at www.cms.com.

ALTERATION OF ARTICLES OF ASSOCIATION

The Board at its meeting held on August 10, 2021 have altered and adopted an amended set of new Articles of Association of the Company in order to confirm with the requirements prescribed by the Stock Exchanges. The amended and new set of Articles of Association was approved by the Shareholders at their meeting held on August 13, 2021.

Further, the Articles of Association of the Company was divided into Part "A" and Part "B". While, Part "A" contains regulations for the overall internal management of the Company and Part "B" pertains to regulations containing the Sion Investment Holdings Pte Limited's rights. Upon listing and commencement of trading of equity shares of the Company on the Stock Exchanges, BSE and NSE from December 31, 2021, Part B of the Articles of Association automatically stands terminated and cease to be in force. Accordingly, the existing Articles of Association of the Company was altered to give effect to the same and was approved by the Board at its meeting held on February 4, 2022 and also passed by requisite majority of the Shareholders through Postal Ballot on March 15, 2022.

DEPOSITS

During the year, your Company has not invited, accepted or renewed any deposits from the Public within the meaning of Section 73 and 76 of the Companies Act, 2013 (the Act) read with Companies (Acceptance of Deposits) Rules, 2014. Accordingly, as on March 31, 2022, there were no principal or interest outstanding in respect thereof.

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

The particulars of loans given, guarantees given, investments made and securities provided by the Company during the year under review, are in compliance with the provisions of Section 186 of the Act and the Rules made thereunder and details of the same are given in the Notes to the Standalone Financial Statements forming part of the Annual Report. All the loans given by the Company to the bodies corporate are towards business purpose.

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

All the transactions with related parties were in the ordinary course of the business and on the arm's length basis and are reported in the Notes to the Standalone Financial Statements. Prior Omnibus approval of the Audit Committee is obtained for Contracts which are repetitive in nature. There are no materially significant related party transactions entered into by the Company with its Promoters, Directors, Key Managerial Personnel or other related parties which may have a potential conflict with the interest of the Company at large. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) of the Act in Form AOC-2 is not applicable.

Your Company has amended the Related Party Transaction Policy in line with the notification issued by SEBI and the amended Related Party Transaction Policy was approved by the Audit Committee and the Board at their meetings held on February 4, 2022. 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 www.cms.com.

BOARD OF DIRECTORS

Board composition

As on March 31, 2022, the Board of Directors of your Company comprises of Eight (8) Directors consisting of Executive Vice-chairman, Whole-time Director & CEO, four (4) Non-executive-Non Independent Directors (out of which 1 is a Woman Director), three (3) Independent Directors (out of which 2 are Woman Directors). The constitution of the Board of the Company is in accordance with Section 149 of the Act and Regulation 17 of Listing Regulations.

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.

EXTENSION OF APPOINTMENT OF CEO AND WHOLE-TIME DIRECTOR

During the year under review, the Board at their meeting held on September 10, 2021 had approved the extension of employment contract of Mr. Rajiv Kaul (DIN: 02581313) as Chief Executive Officer and Whole-time Director of the Company for the period from April 1, 2022 to March 31, 2023, on non-rotational basis. The same was also approved by the shareholders at their meeting held on September 10, 2021.

APPOINTMENT OF DIRECTORS

During the year under review, pursuant to the approval of shareholders at their meeting held on April 9, 2021, Mr. Tapan Ray (DIN: 00728682) was appointed as a Non-executive Independent Director of the Company for a period of one year effective from April 9, 2021 to April 8, 2022.

Mr. Krzysztof Wieslaw Jamroz (DIN: 07462321) was appointed as Non-executive Non-independent Director on August 10, 2021 by the Board of Directors followed by the approval of the Shareholders at their meeting held on August 13, 2021.

Further, the Board at their meeting held on December 31, 2021 have appointed Mrs. Manju Agarwal and Ms. Sayali Karanjkar as Non-executive Independent Directors

on the Board with effect from January 1, 2022 for a period of two years effective from January 1, 2022 to December 31, 2023. Further, the appointment of Mrs. Manju Agarwal and Ms. Sayali Karanjkar as Non-executive Independent Directors of the Company was also approved by requisite majority of the Shareholders through Postal Ballot on March 15, 2022.

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

APPOINTMENT OF MRS. SHYAMALA GOPINATH (DIN:02362921) AS DIRECTOR AND CHAIRPERSON OF THE BOARD & THE COMPANY

Mrs. Shyamala Gopinath has successfully completed her tenure as an Independent Director and Chairperson of the Company on December 31, 2021. The Board placed on record its appreciation for the valuable contribution and guidance extended by Mrs. Gopinath during her tenure as an Independent Director and Chairperson of the Company.

Your Directors, acknowledge the fact that the Company was required to have a full-fledged Chairperson & looking at the experience Mrs. Gopinath, the Board decided to continue her services as a Non-executive Director. Accordingly Mrs. Shyamala Gopinath was appointed as an Additional Director (Non-executive) with effect from January 1, 2022, and also appointed as the Chairperson of the Board as well as the Company. Mrs. Gopinath's appointment as Additional Director (Non-executive) was also approved by requisite majority of the Shareholders through Postal Ballot on March 15, 2022.

DIRECTORS RETIREMENT BY ROTATION

Pursuant to the provisions of Section 152 (6) of the Act, Mr. Jimmy Lachmandas Mahtani (DIN: 00996110), Non-executive Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment. The Board of Directors recommend his re-appointment and the matter is being placed for seeking approval of the members at the ensuing Annual General Meeting of the Company. Pursuant to Regulation 36 of the Listing Regulations read with Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India, brief details and expertise of the Director seeking reappointment are given in the Notice convening the AGM and the

Corporate Governance Report

DECLARATION OF INDEPENDENCE

Pursuant to the provisions of Section 149 & 152 of the Act read with Schedule IV and other applicable provisions, if any, and the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors are appointed for a maximum term of five years and are not liable to retire by rotation.

The Company has received declarations from the Independent Directors confirming that they meet the criteria of Independence as prescribed under Section 149(6) of the Act and confirms that they meet with the criteria of independence as prescribed under the amended provisions of Regulation 16(1)(b) of Listing Regulations effective January 1, 2022. The Independent Directors have also confirmed that they have registered their names in the data bank maintained with the Indian Institute of Corporate Affairs.

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

FAMILIARIZATION PROGRAM

In compliance with the requirements of Listing Regulations, the Company has put in place a framework for Directors' Familiarization Program to familiarize them with their roles, rights and responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the Familiarization program conducted during the financial year under review are explained in the Corporate Governance Report. The same is also available on the Company's website at www.cms.com

FORMAL ANNUAL EVALUATION

Pursuant to the applicable provisions of the Act and Listing Regulations, the Board of Directors of your Company have carried out Annual performance evaluation of:

- Their own performance as a whole;
- Individual Directors Performance;
- Chairperson of the Company and
- Performance of all Committees of the Board.

The performance of the Board as a whole and its committees for financial year 2021-22 was evaluated

by the Board through structured questionnaire which covered various aspects such as the composition and quality, meetings and procedures, contribution to Board processes, effectiveness of the functions allocated, relationship with management, professional development, adequacy, appropriateness and timeliness of information etc. The performance of the Board and its committees was evaluated based on the response received from the individual Directors to the questionnaire.

In terms of requirements of Schedule IV of the Act, a separate meeting of Independent Directors of the Company was held on December 24, 2021, *inter alia*, to review;

- the performance of Non-independent Directors (including the Chairperson)
- the functioning of the Board with specific reference of timely receipt of Agenda notes, quality of the agenda notes, quality of presentation, follow up of minutes and action required points etc.
- the functioning of the Chairperson of the Board with reference to meeting conducted, guidance provided, adequate opportunity given to all the members to express their views, including reservations (if any) etc. and
- to assess the quality, quantity and timeliness of the flow of information between the Management and the Board.

The Board reviewed and analyzed the responses to the evaluation forms and accordingly completed the Board evaluation process for FY 2021-22 and expressed their satisfaction with the evaluation process.

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2022 are as under:

- Mr. Rajiv Kaul, Executive Vice-chairman, Whole-time Director & CEO
- Mr. Pankaj Khandelwal, President and Chief Financial Officer
- Mr. Praveen Soni, Company Secretary & Compliance Officer.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

Ten (10) meetings of the Board of Directors of the Company were held during the year under review. Detailed information of the meetings of the Board is included in the Report on Corporate Governance,

which forms part of this Report. The intervening gap between two consecutive meetings was within the period prescribed under the Act, Secretarial Standards on Board Meetings, Listing Regulations and pursuant to the relaxations issued by SEBI Circular dated April 29, 2021 as amended from time to time.

COMMITTEES OF THE BOARD

The Board of Directors of your Company have formed various mandatory committees, as per the provisions of the Act and Listing Regulations and as a part of better corporate governance practices, the terms of reference and the constitution of those committees are in compliance with the applicable laws.

In order to ensure focused attention on business and for better governance and accountability, the Board has constituted the following mandatory Committees:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders' Relationship Committee;
- Corporate Social Responsibility Committee;
- Risk Management Committee.

The details with respect to the Composition, powers, roles, terms of reference, etc. of the aforesaid committees are given in detail in the "Corporate Governance Report" of the Company which is presented in a separate section and forms part of the Annual Report of the Company. Brief details of committees are mentioned herein below:

a) Audit Committee

As required under Section 177 (8) of the Act and the rules framed thereunder read with Regulation 18 of Listing Regulations, the Composition of the Audit Committee is in line with the provisions of the Companies Act, 2013 and Listing regulations.

The Audit Committee comprises of Mr. Tapan Ray, Mrs. Manju Agarwal and Mr. Ashish Agrawal as its Members. The Committee comprises of majority of Independent Directors with Mr. Tapan Ray being the Chairman. Mr. Rajiv Kaul is permanent invitee to the said committee. Five (5) Audit Committee Meetings were held during the year under review.

Further details relating to the Audit Committee are provided in the Corporate Governance Report, which forms an integral part of this Annual Report. The Audit Committee of the Company reviews the reports to be submitted to the Board of Directors with respect to auditing and accounting matters. During the year under review, all recommendations

made by the Audit Committee were accepted and approved by the Board.

b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of Mr. Tapan Ray, Mr. Jimmy Lachmandas Mahtani and Mrs. Manju Agarwal as its members. Mr. Rajiv Kaul is the permanent invitee to the said Committee. Four (4) meetings of the Nomination and Remuneration Committee were held during the period under review. Further details relating to the Nomination and Remuneration Committee are provided in the Corporate Governance Report, which forms an integral part of this Annual Report.

c) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises of Mr. Tapan Ray, Mr. Rajiv Kaul, Mrs. Shyamala Gopinath and Mr. Krzysztof Wieslaw Jamroz as its members. One Meeting of the Stakeholders' Relationship Committee was held for the year under review on May 6, 2022. Further, details pertaining to Stakeholders' Relationship Committee are provided in the Corporate Governance Report, which forms an integral part of this Annual Report.

d) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises of Mr. Rajiv Kaul, Mrs. Shyamala Gopinath, Mr. Krzysztof Wieslaw Jamroz, Ms. Sayali Karanjkar as its members. For the period under review, the Company held one meeting of Corporate Social Responsibility Committee on February 4, 2022. Further details relating to the Corporate Social Responsibility Committee are provided in the Corporate Governance Report, which forms an integral part of this Annual Report.

e) Risk Management Committee

The Risk Management Committee comprises of Mrs. Shyamala Gopinath, Mr. Ashish Agrawal, Mr. Krzysztof Wieslaw Jamroz, Mr. Tapan Ray and Mr. Pankaj Khandelwal as its members, Mr. Rajiv Kaul is the permanent invitee to the said Committee. For the year under review, the Risk Management Committee Meeting was held on May 6, 2022. Further details relating to the Risk Management Committee are provided in the Corporate Governance Report, which forms an integral part of this Annual Report.

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. This Policy is available on the website of the Company and can be accessible at www.cms.com

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

The Directors state that applicable Secretarial Standards i.e., SS-1 relating to "Meetings of the Board of Directors" and SS-2 relating to "General Meetings" have been duly complied with by the Company.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report as per Regulation 34 of SEBI Listing Regulations is applicable to the Company. The Business Responsibility Report for the financial year ended 2021-22 is given in a separate section 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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34 of Listing Regulations, a separate section on Management Discussion and Analysis Report highlighting the business of your Company, details about the economy, business performance review of the Company's businesses and other material developments during the financial year 2021-22, is appended to this Annual Report.

CORPORATE GOVERNANCE

Your Company is fully committed to follow good Corporate Governance practices and maintain the highest business standards in conducting business. The Company continues to focus on building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance viz., integrity, equity, transparency, fairness, sound disclosure practices, accountability and commitment to values. Your Company has adopted high standards of Corporate Governance with very competent Board having diverse experience.

A separate section on Corporate Governance stipulated under Regulation 34 of Listing Regulations forms part of this Annual Report and is appended herewith to this 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 Listing Regulations, is appended as an Annexure to the Corporate Governance Report.

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

No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

MAINTENANCE OF COST RECORDS

During the period under review, provisions of Rule 8(5) (ix) of The Companies (Accounts) Rules, 2014 read with Section 148(1) of the Act and rule 3 and 4 of The Companies (Cost Records and Audit) Rules, 2014 are not applicable to the Company.

DISCLOSURE OF REMUNERATION OR COMMISSION RECEIVED BY A EXECUTIVE VICE-CHAIRMAN & CEO FROM THE COMPANY'S HOLDING OR SUBSIDIARY COMPANY

Mr. Rajiv Kaul, Executive Vice-chairman and Chief Executive Officer of the Company has not received any remuneration/commission during the year ended March 31, 2022 from holding or subsidiary company of the Company. For detailed arrangement between Mr. Kaul and the Vault Co-Investment Vehicle L.P., a Limited Liability Partnership incorporated by the ultimate promoter of the Company, i.e., Baring Private Equity Asia GP VI Limited, kindly refer note no. 40 of the financial statement for issuance of certain units in Vault L.P. to Mr. Kaul.

AUDITORS & REPORTS

Statutory Auditors and Auditor's 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 appointed as the Statutory Auditors of the Company from the conclusion of 11th Annual General Meeting ("AGM") of the Company held on September 29, 2018 till the conclusion of the 16th AGM of the Company to be held for the financial year 2022-23. They have confirmed to the Company that they are not disqualified to act as the Statutory Auditors of the Company.

The Auditors' Report does not contain any qualifications, reservations, adverse remarks or disclaimers. Notes to Accounts are self-explanatory and do not call for any further comments.

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

has appointed M/s M Siroya and Company, Practicing Company Secretaries (CP No. 4157), as the Secretarial Auditor for conducting the Secretarial Audit of your Company for the financial year ended March 31, 2022 and to furnish the report to the Board.

The report of the Secretarial Auditor for the financial year 2021-22, in prescribed Form No. MR-3 carrying no qualification/adverse remarks is annexed herewith as **Annexure 2**.

Securitrans India Private Limited is the material unlisted subsidiary of the Company for the financial year ended March 31, 2022. In terms of Regulation 24A of Listing Regulations read with Section 204 of the Companies Act, 2013, Secretarial Audit of the material unlisted subsidiary has been conducted by Practicing Company Secretary and the said report has also been annexed as **Annexure 3**. None of the said Audit Reports contain any qualification, reservation or adverse remark or disclaimer.

Reporting of Frauds by Auditors:

During the year under review, no fraud has been committed by the officers and employees against your Company. However, looking at the nature of business of the Company, certain cash embezzlements have been committed by few employees who were involved in business operations of the Company, as detailed below:

There were Eleven instances (FY21: Seven) aggregating to ₹ 159.59 Million (FY21: ₹ 74.84 Million) of cash embezzlements have been done by employees of the Company and were reported by the Statutory Auditors. Out of the above, the Company has recovered ₹ 50.13 Million (FY21: ₹ 23.66 Million), ₹ 31.30 Million written off (FY21: ₹ 10.35 Million) and recovery of balance ₹ 78.16 Million (FY21: ₹ 40.83 Million) is in progress.

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

ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, a copy of the annual return in Form MGT-7 is placed on the website of the Company and can be accessed at www.cms.com.

INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Act and the Companies (Accounts) Rules, 2014, on the recommendation of the Audit Committee at their meeting held on May 25, 2021, M/s. Grant Thornton



Bharat LLP, were appointed by the Board of Directors to conduct internal audit of the Company for the financial year 2021-22.

CODE FOR PREVENTION OF INSIDER TRADING

Your Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons and their immediate relatives and a Code of Fair Disclosure to formulate a framework and policy for disclosure of events and occurrences as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code of Fair Disclosure has been made available on the Company’s website at www.cms.com

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for Directors and employees in confirmation with Section 177(9) of the Act and Regulation 22 of Listing Regulations, to report their concerns about unethical behavior.

The policy is to provide a mechanism, which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statement and reports, and so on. The employees of the Company have the right/ option to report their concern/ grievance to the Chairperson of the Audit Committee.

The Company has a Vigil Mechanism in place, under which the employees are free to report violations of applicable laws and regulations. The Audit Committee Chairman’s office address and process to communicate with him is provided under the Policy for ease of access to persons intending to use the Whistle Blower framework.

Under the Whistle Blower Policy, confidentiality of those reporting violation(s) is protected, and they shall not be subject to any discriminatory practices. This policy is available on the Company’s website at www.cms.com.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 which came into effect from January 22, 2021, the revised CSR Policy, formulated by the Corporate Social Responsibility Committee and approved by the Board of Directors on February 4, 2022 is available on the Company’s website at www.cms.com.

During the year under review, the Company was required to spent ₹ 3,71,55,794/- (2% of the average net profit of last three financial years) on CSR activities. However, the Company has voluntarily spent an amount of ₹ 3,73,56,000/- towards CSR expenses.

For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is forming part of this report.

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.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

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

Your Company has always believed in providing a safe and harassment free workplace for every individual working in any office through various interventions and practices. The Company endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

As per the requirements of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder, your Company has adopted a policy for the prevention of Sexual Harassment at workplace and has constituted an Internal Complaints Committee (ICC).

All employees as well as contractual staff, temporary, trainees are covered by this policy.

No complaints were received during the financial year.

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

Information pursuant to clause (m) of sub-section (3) of Section 134 of the Act, read with rule 8 (3) of The Companies (Accounts) Rules, 2014 is not given as conservation of energy and technology absorption are not applicable to the Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Company had earnings and Expenditures in foreign currency and details are given hereunder:

Foreign Exchange Earnings (in ₹ Million) - Nil

Foreign Exchange Outgo (in ₹ Million) - Imports - 1,127.92 Million

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 Annual Report as **Annexure 5**.

The statement containing names of Directors, Key Managerial Personnel and top ten employees, others in terms of remuneration drawn and the particulars of employees as 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. As per the provisions of the Section 136 of the Act read with sub-rules 2 and 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Annual Report is being sent to the Members excluding the aforesaid annexure to all Shareholders of the Company. Any Shareholder interested in obtaining the copy of said statement may write to the Company Secretary & Compliance Officer at CMS Info Systems Limited, T-151, 5th Floor, Tower No. 10, Sector-11, railway station complex, CBD Belapur, Navi Mumbai - 400 614, e-mail ID: investors@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.

RISK MANAGEMENT

The Company has devised and adopted a Risk Management Policy and implemented a mechanism for risk assessment and management. The policy provides for identification of possible risks associated with the business of the Company, assessment of the same at regular intervals and taking appropriate measures and controls to manage, mitigate and handle them. The key categories of risk covered in the policy are strategic risks, financial risks, operational risks and such other risk that may potentially affect the working of the Company. A copy of the risk management policy is placed on the website of the Company.

As the equity shares of the Company got listed on NSE and BSE on December 31, 2021 and is forming part of the top 1000 listed entities determined on the basis of market capitalisation, as at the end of the immediate previous financial year i.e., March 31, 2022, Regulation 21 of the Listing Regulations with respect to Risk Management Committee has become applicable to the Company. The Board of Directors have accordingly, constituted Risk Management Committee for monitoring and reviewing of the risk assessment, mitigation and risk management plan from time to time.

In Board’s view, there are no material risks which might threaten the existence of the Company.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has 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 your 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. During the year under review, no material or serious observation has been received from the Auditors of your Company citing inefficiency or inadequacy of such controls. An extensive internal audit is carried out by internal audit firm and management internal audit team.

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, 2022, the applicable accounting standards had been followed and no material departures have been made for the same;
- b) they 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, 2022 and of the profit and loss and cash flow of the Company for the period ended March 31, 2022;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records

ANNEXURE - 1

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) they have prepared the annual accounts for the year ended March 31, 2022 on a going concern basis;
- e) they 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) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING IS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (“IBC”) DURING THE YEAR ALONG WITH ITS STATUS AS AT THE END OF FINANCIAL YEAR

There was no application made or any proceeding pending under IBC during the year under review.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME 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 during the period under review.

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 sincere gratitude to all the valuable stakeholders of the Company viz., shareholders, customers, vendors, bankers, business associates, regulatory authorities, Central and State Government Departments, local authorities for their excellent support and co-operation extended by them during the financial year.

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

Ashish Agrawal
Director
DIN: 00163344

Rajiv Kaul
Executive Vice-Chairman & CEO
DIN: 02581313

Place: Mumbai
Date: May 9, 2022

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ Joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with ₹ in Million)

Sr. No.	Particulars	1	2	3	4	5
1	Name of the subsidiary	CMS Securitas Limited	Securitrans India Private Limited	CMS Marshall Limited - Subsidiary of CMS Securitas Ltd.	Hemabh Technology Private Limited	Quality Logistics Services Private Limited
2	The date since when subsidiary was acquired	April 1, 2009	May 23, 2011	April 1, 2009	March 30, 2022	July 29, 2015
3	Reporting period for the subsidiary concerned, if different from the holding Company’s reporting period	April 1, 2021 to March 31, 2022	April 1, 2021 to March 31, 2022	April 1, 2021 to March 31, 2022	April 1, 2021 to March 31, 2022	April 1, 2021 to March 31, 2022
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
5	Share capital	9.50	13.25	0.50	43.86	0.10
6	Reserves & surplus	24.94	1,408.92	6.15	-42.95	Nil
7	Total assets	146.75	1,915.11	197.95	238.75	0.10
8	Total Liabilities	112.30	492.96	191.30	237.84	Nil
9	Investments (current)	Nil	436.23	Nil	0.50	Nil
10	Turnover	266.63	1,997.45	691.85	55.00	Nil
11	Profit before taxation	5.50	231.09	5.87	-24.10	Nil
12	Provision for taxation	2.58	53.79	3.17	18.85	Nil
13	Profit after taxation	2.92	177.30	2.70	-42.95	Nil
14	Proposed Dividend	Nil	Nil	Nil	Nil	Nil
15	% of shareholding	100	100	Subsidiary of Subsidiary Company	100	100

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations.
- Names of subsidiaries which have been liquidated or sold during the year.

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

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

Ashish Agrawal
Director
DIN: 00163344

Rajiv Kaul
Executive Vice-chairman & CEO
DIN: 02581313

Pankaj Khandelwal
Chief Financial Officer

Praveen Soni
Company Secretary
Memb. No. FCS 6495

Place: Mumbai
Date: May 9, 2022



ANNEXURE - 2

SECRETARIAL AUDIT REPORT OF CMS INFO SYSTEMS LIMITED

Form No. MR-3

Secretarial Audit Report

For the financial year ended March 31, 2022

[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 - 400614.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to 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, 2022, 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, 2022 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; and
- (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;
 - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - 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).
- (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 into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

Note: The Company was Listed on BSE Limited and NSE Limited on December 31, 2021, pursuant to which SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (hereinafter referred to as "LODR") became applicable on the Company.

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. During the year, we have observed a delay in filing of certain forms with MCA.

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

- (i) Labor 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) Labor 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 and committees thereof are duly constituted with proper balance of Executive Directors, Non-executive Directors, Woman Director and Independent Directors. 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:

- (i) Mr. Tapan Ray (DIN: 00728682) was appointed as an Additional Non-executive Independent Director of the Company for the period from April 9, 2021 to April 8, 2022 and the same was approved by the Members at their Extra Ordinary General meeting held on April 9, 2021;
- (ii) Mr. Krzysztof Wieslaw Jamroz (DIN: 07462321) was appointed as an Additional Non-executive Director w.e.f. August 10, 2021 and the same was approved by the Members at their Extra-Ordinary General meeting held on August 13, 2021;
- (iii) Mrs. Manju Agarwal (DIN: 06921105) was appointed as an Additional Woman Non-executive Independent Director of the Company for the period from January 1, 2022 to December 31, 2023 by the Board on December 31, 2021 and was approved by the members through postal ballot on March 15, 2022;
- (iv) Ms. Sayali Karanjkar (DIN: 07312305) was appointed as an Additional Woman Non-executive Independent Director of the Company for the period from January 1, 2022 to December 31, 2023 by the Board on December 31, 2021 and was approved by the members through postal ballot on March 15, 2022;
- (v) Mrs. Shyamala Gopinath (DIN: 02362921) completed her second tenure as Independent Director of the Company as of December 31, 2021;
- (vi) Mrs. Shyamala Gopinath (DIN: 02362921) was appointed as an Additional Non-executive Director w.e.f. January 1, 2022 by the Board on December 31, 2021 and was approved by the members through postal ballot on March 15, 2022;
- (vii) Mrs. Shyamala Gopinath (DIN: 02362921) was appointed as Chairperson of the Board and the Company w.e.f. January 1, 2022;
- (viii) Mr. Rajiv Kaul (DIN: 02581313) was reappointed as Chief Executive Officer and Whole-time Director of the Company from April 1, 2022 To March 31, 2023



by the Board on September 10, 2021 and by the members at their Extra Ordinary General Meeting held on September 10, 2021.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and in certain cases where meetings were held through shorter notice 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 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 applicable laws, acts, rules, regulations, circulars, notifications, directions and guidelines.

We further report that during the audit period the Company has undertaken following event/action 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 Board of Directors at their meeting held on July 21, 2021, approved the proposal to acquire 100% business of M/s. Hemabh Solutions, a Partnership Firm and a new Company wherein entire business and all rights and liabilities of the Partnership firm shall mutatis mutandis accrue and CMS will acquire 100% equity shares of the New Company at an aggregate consideration not exceeding ₹ 210 Million.
- (ii) The Board of Directors at their meeting held on August 10, 2021, *inter alia*, approved the Initial Public Offer of its equity shares of the face value of ₹ 10 each (the "Equity Shares") through an offer for sale of Equity Shares of an amount around ₹ 2,000 Crores ("Offer for Sale"), by Sion Investment Holdings Pte. Limited, (the "Selling Shareholder" or "Sion").
- (iii) The members at the extra-ordinary general meeting held on August 13, 2021, *inter alia*, approved the following:
 - (a) Adoption of the altered Articles of Association of the Company;

- (b) Amendments to CMS Management Stock Option Plan 2016; and
- (c) Amendment to the CMS Employees Stock Option Plan 2016.
- (iv) The members at the extra-ordinary general meeting held on September 10, 2021, *inter alia*, approved the following:
 - (a) Amendments to ESOP Plans namely (i) CMS CEO Stock Option Plan, 2016, (ii) CMS Management Stock Option Plan 2016, (iii) CMS Employees Stock Option Plan 2016; and
 - (b) Extension of restated and amended employment agreement dated October 14, 2020 appointing Mr. Rajiv Kaul as the Chief Executive Officer and Whole-time Director of the Company from April 1, 2022 to March 31, 2023.
- (v) The members at the extra-ordinary general meeting held on October 28, 2021, *inter alia*, approved the following:
 - (a) Managerial Remuneration of Mr. Rajiv Kaul, Executive Vice-chairman, Chief Executive Officer & Whole-Time Director of the Company, in the event of exercise of ESOP's;

Managerial Remuneration payable to all the Directors in the event of exercise of ESOP's by Mr. Rajiv Kaul; and
 - (b) Amendments to ESOP Plans namely (i) CMS CEO Stock Option Plan, 2016, (ii) CMS Management Stock Option Plan 2016, (iii) CMS Employees Stock Option Plan 2016 to amend the ESOP exercise period of the vested options.
- (vi) The members by Postal Ballot on March 15, 2022, *inter alia*, approved the following:
 - (a) Alteration of Articles of Association of the Company;
 - (b) Ratification of CMS Employees Stock Option Plan 2016; and
 - (c) Arrangement between Mr. Rajiv Kaul, Executive Vice-chairman, Whole-time Director & CEO and Vault Co-Investment Vehicle L.P.

(vii) Details/Events of IPO:

- (a) On August 14, 2021, the Board approved Draft Red Herring Prospectus and the same was filed with the Securities and Exchange Board of India ("SEBI") on August 14, 2021;
- (b) The Company received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated September 9, 2021 and September 27, 2021, respectively;
- (c) On December 12, 2021, the IPO Committee approved Red Herring Prospectus ("RHP") and the same was then filed with SEBI on December 16, 2021;
- (d) The RHP was filed with the RoC on December 14, 2021 and the same was approved by the RoC on December 14, 2021;
- (e) On December 24, 2021, the Board approved and adopted Prospectus and it was filed with the RoC on December 24, 2021 and the same was approved on December 24, 2021. Approved prospectus was filed with SEBI on December 25, 2021, with BSE on December 26, 2021 and with NSE on December 27, 2021; and
- (f) The Company came out with an Initial Public Offer of 50,925,925 Equity shares of face value of ₹ 10 each for cash at a price of ₹ 216 per

Equity Share including a premium of ₹ 206 per equity share aggregating to ₹ 11,000 Million through an offer for sale of 50,925,925 Equity Shares by Sion Investment Holdings Pte. Limited aggregating to ₹ 11,000 Million. The offer constituted 34.41% of post-offer paid-up equity share capital. The Issue was opened and closed for subscription on December 20, 2021 for Anchor Investors and for other categories opened on December 21, 2021 and closed on December 23, 2021 and the same was fully subscribed and accordingly 50,925,925 equity shares of ₹ 10 each were transferred from the Promoter Selling Shareholder to the subscribers on December 29, 2021. The Stock Exchanges, BSE and NSE, granted their Listing and Trading Approvals on December 30, 2021.

For **M Siroya and Company**
Company Secretaries

Mukesh Siroya
Proprietor
FCS No.: 5682
CP No.: 4157
UDIN: F005682D000288954
Date: May 9, 2022
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
 UDIN: F005682D000288954
 Date: May 9, 2022
 Place: Mumbai

ANNEXURE – 3

SECRETARIAL AUDIT REPORT OF SECURITRANS INDIA PRIVATE LIMITED

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014] 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, 2022 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, 2022 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.

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

1. Labor Laws, Labor 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. The following changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act:

- (i) At the Board Meeting held on May 23, 2021, Mr. Anush Vijaya Raghavan was appointed as an Additional Director with immediate effect;
- (ii) Mr. Rajiv Kaul resigned from the directorship of the Company with effect from October 25, 2021; and
- (iii) At the Annual General Meeting held on June 30, 2021, Mr. Anush Vijaya Raghavan was appointed as a Director.

During the year the Board of Directors of the Company in its meeting held on January 28, 2022 had appointed

ANNEXURE A

Ms. Sejal Wadher (ACS 43854) as Company Secretary and Compliance officer of the Company effective from February 4, 2022.

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 in certain cases where meetings were held through shorter notice 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 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 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

Proprietor

ACS No.: 25734

CP No.: 21758

UDIN: A025734D000291857

Date: May 9, 2022

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.

To,

**The Members,
Securitrans India Private 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 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 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, 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

Proprietor

ACS No.: 25734

CP No.: 21758

UDIN: A025734D000291857

Date: May 9, 2022

Place: Mumbai



ANNEXURE - 4

CSR 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. As an extension of the nature of our business, we have focused our CSR efforts on directly or indirectly improving the livelihood of the underprivileged and poor communities through a variety of approaches, across different geographical locations. This year, as we entered a post Covid era, we have expanded our focus area into healthcare as well. We also introduced a category called Charitable Contributions, where we give small grants to NGOs. The beneficiaries of these Charitable Contribution grants have ranged from old age and disability care to education and childcare, to medical camps and animal welfare.

The main objective of our CSR policy is:

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

The scope of the CSR activities of the Company will cover the following areas but not limited to the same and may extend to other projects/ programs as 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. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts;

3. 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;
4. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
5. Promoting 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;
6. Measures for the benefit of armed forces veterans, war widows and their dependents;
7. Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports;
8. 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;
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
10. Rural development projects

Such other tasks and projects as may be deem fit to fulfil the need of the society, including any other projects as may be approved by the Government of India or of the State and the Act.

2. COMPOSITION OF THE CSR COMMITTEE AS ON MARCH 31, 2022:

Sr. No.	Name of Director	Designation/Nature of Membership	Number of Meetings of CSR Committee held during the year FY 2021-22	Number of meetings of CSR Committee attended during the year
1.	Mr. Rajiv Kaul	Chairman	1	1
2.	Ms. Sayali Karanjkar	Member	1	1
3.	Mrs. Shyamala Gopinath	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:

www.cms.com/company-information.php

4. PROVIDE THE DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT).

Rule 8 (3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is not applicable to the Company.

5. DETAILS OF THE AMOUNT AVAILABLE FOR SET-OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY.

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	2020-21	14,41,968	Nil

6. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5):

₹ 185,77,89,696/-

7. (A) TWO PERCENT OF AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5):

₹ 3,71,55,794/-

(B) SURPLUS ARISING OUT OF THE CSR PROJECTS OR PROGRAMS OR ACTIVITIES OF THE PREVIOUS FINANCIAL YEARS: Nil

(C) AMOUNT REQUIRED TO BE SET OFF FOR THE FINANCIAL YEAR, IF ANY: Nil

(D) TOTAL CSR OBLIGATION FOR THE FINANCIAL YEAR (7A+7B+7C): ₹ 3,71,55,794. In addition, total previous years' obligations amounts to Nil.

8. (A) 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	Date of transfer	Name of Fund	Amount	Date of transfer
3,73,56,000	NIL	NIL	NIL	NIL	NIL

(B) DETAILS OF CSR AMOUNT SPENT AGAINST ONGOING PROJECTS FOR THE FINANCIAL YEAR:

Sr. No.	Name of the Project	Item from the List of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amt transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	Stat	District	Name	CSR Registration number
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

(C) DETAILS OF CSR AMOUNT SPENT AGAINST OTHER THAN ONGOING PROJECTS FOR THE FINANCIAL YEAR:

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project	Amount spent for the project (in ₹)	Mode Of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	Stat	District	Name	CSR Registration number
1	Bhartiya Gramin Vidhyalaya	Education	Uttar Pradesh	Mahona	Uttar Pradesh	15,00,000	No	Bhartiya Gramin Vidhyalaya			
2	Manuvikasa	Environment Protection	Karnataka	Uttara Kannada, Havery, Dharwad, Shivamogga	Karnataka	20,00,000	No	Manuvikasa			
3	Leapforword	Education	Maharashtra	All	Maharashtra	10,00,000	No	Leapforword			
4	The Welfare Of Stray Dogs	Animal Welfare	Mumbai, Maharashtra		Mumbai, Maharashtra	3,00,000	No	The Welfare of Stray Dogs			
5	Chirag Rural Development Foundation	Environment Protection	Maharashtra	Pune	Maharashtra	60,00,000	No	Chirag Rural Development Foundation			
6	Goonj	Holistic Village Development	Odisha	Mayurbhanj	Odisha	50,00,000	No	Goonj			
7	The Hans Foundation	Healthcare	Jharkhand	Ranchi	Jharkhand	40,00,000	No	The Hans Foundation			
8	Basic Health Care Services	Healthcare	Rajasthan	Dungarpur, Banswara Pratapgarh	Rajasthan	30,00,000	No	Basic Health Care Services			
9	P M Cares Fund					66,00,000	No	P M Cares Fund			
10	System Research Society	Food And Healthcare	Delhi, NCR and Hyderabad	Delhi, NCR and Hyderabad	Delhi, NCR and Hyderabad	10,00,000	No	System Research Society			
11	Mahavir International Foundation	Women And Child Empowerment	Mumbai, Maharashtra	Mumbai, Maharashtra	Mumbai, Maharashtra	5,00,000	No	Mahavir International Foundation			
12	The Earth Saviours Foundation	Old Age Home And Huminity	Gurgaon, Haryana	Gurgaon, Haryana	Gurgaon, Haryana	5,00,000	No	The Earth Saviours Foundation			

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project	Amount spent for the project (in ₹)	Mode Of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
13	Amcha Ghar	Education And Empowerment	Mumbai, Maharashtra	Mumbai, Maharashtra	Mumbai, Maharashtra	5,00,000	No	Amcha Ghar
14	The Banyan	Healthcare	Tamilnadu	Tamilnadu	Tamilnadu	5,00,000	No	The Banyan
15	The Gateway Trust	NGO	Haryana	Haryana	Haryana	5,00,000	No	The Gateway Trust
16	Habitat For Humanity India Trust	Water Sanitisation	Pan India	Pan India	Pan India	5,00,000	No	Habitat For Humanity India Trust
17	Society For Educational Improvements and Innovation (CLR Sajag Abhiyan)	Child Development	Chhattisgarh	Chhattisgarh	Chhattisgarh	5,00,000	No	Society For Educational Improvements And Innovation (CLR Sajag Abhiyan)
18	Chehak Trust	Child Development	Mumbai, Maharashtra	Mumbai, Maharashtra	Mumbai, Maharashtra	5,00,000	No	Chehak Trust
19	Keshav Srushti	Medicine	Palghar, Maharashtra	Palghar, Maharashtra	Palghar, Maharashtra	5,00,000	No	Keshav Srushti
20	Stonesoup Trust	Child Development	Bangalore, Karnataka	Bangalore, Karnataka	Bangalore, Karnataka	5,00,000	No	Stonesoup Trust
21	Vaccine Dose At Kids Clinic India	Healthcare	Mumbai, Maharashtra	Mumbai, Maharashtra	Mumbai, Maharashtra	1,56,000	No	Vaccine Dose At Kids Clinic India

(D) AMOUNT SPENT IN ADMINISTRATIVE OVERHEADS: ₹ 18,00,000/-

(E) AMOUNT SPENT ON IMPACT ASSESSMENT, IF APPLICABLE: NA

(F) TOTAL AMOUNT SPENT FOR THE FINANCIAL YEAR (8B+8C+8D+8E): ₹ 3,73,56,000/-

(G) EXCESS AMOUNT FOR SET OFF, IF ANY: ₹ 16,42,174/-

[During the year, the Company has actually spent ₹ 3,73,56,000, out of which Nil was spent towards its CSR obligations for the financial year 2020-21; Nil was spent towards its previous years' obligations; and ₹ 200,206/- was excess spend which is to be set off against future obligations.]

Sr. No.	Name of Director	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per Section 135(5)	3,71,55,794
(ii)	Total amount spent for the Financial Year	3,73,56,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2,00,206
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2,00,206

* [Out of ₹ 200,206 excess amount spent as per clause (iii) in the above table, Nil. was spent towards its previous years' obligations; and ₹ 200,206 + ₹ 14,41,968 = ₹ 16,42,174 was excess spend which is to be set off against future obligations].

ANNEXURE - 5

9.(A) DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

Not Applicable

Sr. No.	Preceding Financial Year	Item from the List of activities in Schedule VII to the Act	Amount transferred to 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 ₹)
					Name of the Fund	Amount (in ₹)	Date of transfer	

(B) DETAILS OF CSR AMOUNT SPENT IN THE FINANCIAL YEAR FOR ONGOING PROJECTS OF THE PRECEDING FINANCIAL YEAR(S): Not Applicable

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing

10. IN CASE OF CREATION OR ACQUISITION OF CAPITAL ASSET, FURNISH THE DETAILS RELATING TO THE ASSET SO CREATED OR ACQUIRED THROUGH CSR SPENT IN THE FINANCIAL YEAR - (ASSET-WISE DETAILS): Not Applicable

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

Ashish Agrawal
Director
DIN: 00163344

Rajiv Kaul
Executive Vice-chairman & CEO/Chairman of CSR Committee
DIN: 02581313

Place: Mumbai
Date: May 9, 2022

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

- 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 Financial Year 2021-2022
Executive Directors		
Mr. Rajiv Kaul ¹	158.35	13%
Independent Directors		
Mr. Tapan Ray ²	3.64	NA
Mrs. Manju Agarwal ³	0.91	NA
Ms. Sayali Karanjkar ⁴	0.91	NA
Non-executive Non-independent Directors		
Mrs. Shyamala Gopinath	3.64	NIL
Mr. Jimmy Lachmandas Mahtani	NA	NA
Mr. Ashish Agrawal	NA	NA
Mr. Krzysztof Wieslaw Jamroz ⁵	2.62	NA
Chief Financial Officer		
Mr. Pankaj Khandelwal ¹	NA	16%
Company Secretary		
Mr. Praveen Soni ¹	NA	36%

Notes:

- Excludes perquisite value of stock options granted in previous years but exercised during the year. For details of perquisite value refer section (ii) of details of remuneration for the year ended March 31, 2022 of Corporate Governance report.
- Appointed as Director with effect from April 9, 2021
- Appointed as Director with effect from January 1, 2022
- Appointed as Director with effect from January 1, 2022
- Appointed as Director with effect from August 10, 2021

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

There was an increase of 11% in the median remuneration of employees in Financial Year 2021-22.

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

There were 453 permanent employees on the rolls of the Company as on March 31, 2022.



Corporate Governance Report

4. Average percentage increase already made in the salaries of employees other than the managerial personnel (KMPs) in FY 2021-22 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 10% as against an average annual percentage increase of 13% to KMPs which is higher on account of variable payouts.

The calculation of percentage increase is done considering salary of employees eligible for increment in FY 2021-22.

The increase in salaries reflects the Company's performance, individual performance and is in line with the market trends.

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.

For and on behalf of the Board
CMS Info Systems Limited

Place: Mumbai
 Date: May 9, 2022
Ashish Agrawal
 Director
 DIN: 00163344

Rajiv Kaul
 Executive Vice-chairman & CEO
 DIN: 02581313

I. CORPORATE GOVERNANCE PHILOSOPHY

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 Independent Directors. The Company has established systems and procedures based on the overview and strategic counsel of the Board and it is fully equipped to discharge its responsibilities and to provide management the strategic direction it needs.

The Company has complied with the requirements of corporate governance specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended, since, the Company is listed on Stock Exchanges, i.e., National Stock Exchange of India Limited and BSE Limited w.e.f. December 31, 2021. Accordingly, the details of compliances for the period from December 31, 2021 to March 31, 2022 are given hereunder:

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. This can be achieved only through strategic supervision of the Company and its subsidiaries. Further, the Board sets strategic goals and seeks accountability for their accomplishment of the tasks assigned. Your Board has an appropriate mix of Executive, Non-executive and Independent Directors to maintain its Independence, and separate its functions of governance and management. Your 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 morale 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. As on March 31, 2022, the Board of Directors of your Company comprises of Eight (8) Directors consisting of an Executive Vice-chairman-Whole-time Director & CEO, four (4) Non-executive Non-independent Directors (out of which 1 is a Woman Director), three (3) Independent Directors (out of which 2 are Woman Directors).

SEBI Listing Regulations also mandate that the Board of Directors of the top 500 listed entities shall have at least one Independent Woman Director. The Company has two Woman Independent Directors. The Chairperson of the Board is Non-executive and Non-independent Director. The profile of Directors can be found at www.cms.com

- iii. The composition of the Board as on March 31, 2022 is in conformity with Regulation 17 of the SEBI Listing Regulations, which stipulates that (i) the Board should have at least an Independent Woman Director; (ii) not less than 50% of the Directors should be Non-executive Directors; and (iii) where the Chairman of the Board is a Non-executive Director not related to the promoter group, at least one-third of the Board should comprise of Independent Directors.

- iv. None of the Directors on the Board holds directorships in more than twenty (20) Indian Companies including 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. None of the Independent Directors of the Company serves as Independent Directors in more than seven (7) listed companies and none of the Whole-time Directors of the Company serve as Independent Directors in more than three (3) listed companies. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022 have been made by the Directors. None of the Directors are related to each other.

v. Independent Directors are Non-executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013 ('the Act') along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed 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. Based on the declarations received from the Independent Directors, the Board of Directors 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. 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 enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs. 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 IDs including their role, responsibility and duties are available on our website at www.cms.com

vi. 10 (Ten) Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The necessary quorum was present for all the meetings. The said meetings were held on:

Sr. No.	Date of Board Meeting	Mode of Board Meeting
1.	25.05.2021	Video Conferencing
2.	21.07.2021	Video Conferencing
3.	10.08.2021	Video Conferencing
4.	14.08.2021	Video Conferencing
5.	10.09.2021	Video Conferencing
6.	28.10.2021	Video Conferencing
7.	14.12.2021	Video Conferencing
8.	24.12.2021	Video Conferencing
9.	31.12.2021	Video Conferencing
10.	04.02.2022	Video Conferencing

vii. 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, is made available to the Board. Actions taken/status reports on decisions of the previous meeting(s) are placed at the next meeting(s) for information and further recommended actions, if any.

viii. The names and categories of the Directors on the Board, their attendance at Board meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a Director and the number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies as on March 31, 2022 are given herein below:

Name of the Director	Category/status of Directorship	Number of Board Meetings attended during the FY 2021-22	No. of Directorship(s) in other Public Companies	Whether attended last AGM held on June 30, 2021	**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, 2022
					Chair-person	Member	Name of the entity	Category of Directorship	
Mrs. Shyamala Gopinath* (Chairman) DIN: 02362921	Independent Director up to 31-12-2021 Non-Independent, Non-executive Director w.e.f. 01-01-2022	10	6	Yes	4	5	1. Colgate Palmolive India Ltd. 2. BASF India Limited 3. TATA Elxsi Limited 4. CRISIL Limited	1. Director 2. Director 3. Director 4. Director	Nil
Mr. Rajiv Kaul DIN: 02581313	Executive	10	Nil	Yes	Nil	Nil	Nil	Nil	40,00,000

Name of the Director	Category/status of Directorship	Number of Board Meetings attended during the FY 2021-22	No. of Directorship(s) in other Public Companies	Whether attended last AGM held on June 30, 2021	**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, 2022
					Chair-person	Member	Name of the entity	Category of Directorship	
Mr. Tapan Ray DIN: 00728682	Non-executive, Independent	10	7	No	1	1	1. Gujarat State Fertilizers & Chemicals Ltd. 2. Gujarat State Petronet Limited	1. Director 2. Additional Director	Nil
Mr. Ashish Agrawal DIN: 00163344	Non-executive, Non-Independent	09	Nil	Yes	Nil	Nil	Nil	Nil	Nil
Mr. Jimmy Lachmandas Mahtani DIN: 00996110	Non-executive, Non-Independent	10	Nil	No	Nil	Nil	Nil	Nil	Nil
Mr. Krzysztof Wieslaw Jamroz DIN: 07462321	Non-executive, Non Independent	5	Nil	NA	Nil	Nil	Nil	Nil	Nil
Mrs. Manju Agarwal® DIN: 06921105	Non-executive, Independent	1	7	NA	5	5	1. Gulf Oil Lubricants India Limited 2. Glenmark Life Sciences Limited.	1. Director 2. Director	Nil
Ms. Sayali Karanjkar® DIN: 07312305	Non-executive, Independent	1	1	NA	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. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director.

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

*Mrs. Shyamala Gopinath's term as an Independent Director ended on December 31, 2021 and she was subsequently appointed as a Non-executive and Non Independent Director with effect from January 1, 2022.

®Pursuant to the shareholders' approval, Mrs. Manju Agarwal and Ms. Sayali Karanjkar were appointed as Non-executive Independent Directors w.e.f. January 1, 2022.

- ix. During FY 2021-22, one meeting of the Independent Directors was held on December 24, 2021. The Independent Directors, *inter alia*, reviewed the performance of Non-independent Directors, Board as a whole and Chairperson of the Company, taking into account the views of Executive Directors and Non-executive Directors.
- x. The Company does not have any pecuniary relationship with any of the Directors and has not entered into any transaction, material or otherwise, with them except for the remuneration' sitting fees and payments/reimbursement of travelling, lodging and boarding expenses.

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 and attributes which are taken into consideration by the NRC while recommending appointment of Directors to the Board.

Director skills, expertise, competencies and attributes desirable in Company’s business and sector in which it functions.

Nature of Expertise	Particulars	Name of Director
Business expertise	Experience in the core business in which the Company operates, global business dynamics, understanding of various markets, cultures, people and regulatory frameworks.	<ul style="list-style-type: none"> Mr. Rajiv Kaul Mrs. Manju Agrawal Mrs. Shyamala Gopinath Mr. Krzysztof Wieslaw Jamroz Mr. Jimmy Lachmandas Mahtani
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.	<ul style="list-style-type: none"> Mr. Rajiv Kaul Mrs. Shyamala Gopinath Mrs. Manju Agarwal Mr. Ashish Agrawal Ms. Sayali Karanjkar Mr. Jimmy Lachmandas Mahtani
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.	<ul style="list-style-type: none"> Mr Rajiv Kaul Mrs. Shyamala Gopinath Mr Ashish Agrawal Mr. Tapan Ray Mrs. Manju Agarwal
Corporate Governance	Experience in developing good Corporate Governance Practices, statutory compliances, business ethics and values so as to protect interests of stakeholders.	<ul style="list-style-type: none"> Mr. Rajiv Kaul Mrs. Shyamala Gopinath Mrs. Manju Agarwal Ms. Sayali Karanjkar Mr. Tapan Ray

Familiarization Programme

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. The terms and conditions of the appointment of Independent Directors are posted pursuant to Regulation 46(2)(b) of the SEBI Listing Regulations, on the Company’s website and can be accessed at www.cms.com. Further, at Board and Committee Meetings, the Independent Directors are on a regular basis familiarized with the business model, regulatory environment in which the Company operates, strategy, operations, functions, policies and procedures of the Company and its subsidiaries so that they are able to play a meaningful role in the overall governance processes of the Company. During the Financial Year 2021-22, Independent Directors were briefed about the events including but not limited to regulatory issues, employee’s development, contribution to society through CSR activity and impact on the business operations of the Company due to COVID-19 pandemic etc. The details of the Familiarization program of the Independent Directors are available on the Company’s website via. www.cms.com.

II. COMMITTEES OF THE BOARD:

(i) 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 focus effectively on the issues and ensure expedient resolution of the diverse matters. The committees operate as the Board’s empowered agents according to their terms of reference. The Board has constituted the below mentioned mandatory committees:

- a) Audit Committee;
- b) Nomination & Remuneration Committee;
- c) Stakeholders Relationship Committee;

- d) Corporate Social Responsibility Committee; and
- e) Risk Management Committee

The Committees are represented by a combination of Non-Executive Independent Directors and Key Managerial Personnel of the Company. These Committees play an important role in the overall Management of day-to-day affairs and governance of your 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 Committee meetings are circulated to the respective committee members and 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 had duly constituted the Audit Committee on July 31, 2009. Further, the Board of Directors at their meeting held on August 10, 2021 reconstituted the Audit Committee. The following are the details of Audit Committee composition, meetings and attendance for the period up to December 31, 2021:

Composition, attendance and details of audit committee meetings:

Name of the Director	Position	Category	No. of meetings held	No. of meetings attended
Mrs. Shyamala Gopinath	Chairperson	Non-executive Independent Director	4	4
Mr. Tapan Ray	Member	Non-executive Independent Director	4	4
Mr. Ashish Agrawal	Member	Non-executive Director	4	4

The Board of Directors again at its meeting held on December 31, 2021 has reconstituted the Audit Committee w.e.f. January 01, 2022.

The following are the details of Audit Committee composition, meetings and attendance for the period January 1, 2022 to March 31, 2022:

Name of the Director	Position	Category	No. of meetings held	No. of meetings attended
Mr. Tapan Ray	Chairman	Non-executive Independent Director	1	1
Mrs. Manju Agarwal	Member	Non-executive Independent Director	1	1
Mr. Ashish Agrawal	Member	Non-executive Director	1	1

During the year under review, the Audit Committee met five (5) times i.e., May 25, 2021, August 10, 2021, August 14, 2021, October 28, 2021 and February 4, 2022. The necessary quorum was present for all the Meetings. The former Chairperson of the Audit Committee, Mrs. Shyamala Gopinath attended the 14th Annual General Meeting held on June 30, 2021. During the year under review, all meetings were held through video conferencing due to the COVID-19 pandemic in accordance with the various circulars/notifications issued by the Ministry of Corporate Affairs and SEBI from time to time.

Mr. Rajiv Kaul, is a permanent invitee to the Audit Committee Meeting. Further, the Company invites such Executives as it considers appropriate and also representatives of the Statutory Auditors and Internal Auditors, to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee.

Terms of Reference:

(i) The Audit Committee shall have powers, which should include the following:

- (a) To investigate any activity within its terms of reference;
- (b) To seek information that it properly requires from any employee of the Company or any associate or subsidiary, joint venture company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the committee;
- (c) Call any director or other employee to be present at a meeting of the committee whenever required;
- (d) To secure attendance of outsiders with relevant expertise, if it considers necessary and to seek their advice, whenever required; and
- (e) Perform such powers as may be prescribed under the Companies Act and SEBI Listing Regulations;

(ii) The role of the Audit Committee shall include the following:

- (a) Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (b) Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors including the internal auditor, cost auditor and statutory auditor of our Company and the fixation of audit fee;
- (c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors of the Company;
- (d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- I. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
- II. Changes, if any, in accounting policies and practices and reasons for the same;
- III. Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
- IV. Significant adjustments made in the financial statements arising out of audit findings;
- V. Compliance with listing and other legal requirements relating to financial statements;
- VI. Disclosure of any related party transactions; and
- VII. Qualifications and modified opinion(s) in the draft audit report.

- (e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- (f) Examination of the financial statement and auditor's report thereon;
- (g) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (h) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

- (i) Formulating a policy on related party transactions, which shall include materiality of related party transactions;
- (j) Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed.

Explanation: The term 'related party transactions' shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

- (k) Scrutiny of inter-corporate loans and investments;
- (l) Valuation of undertakings or assets of the Company, wherever it is necessary;
- (m) Evaluation of internal financial controls and risk management systems;
- (n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (o) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (p) Discussion with internal auditors of any significant findings and follow up there on;
- (q) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (r) Discussion with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- (s) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time;
- (t) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (u) To recommend to the Board the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- (v) To monitor the end use of funds raised through public offers and related matters;
- (w) To review the functioning of the whistle blower mechanism;
- (x) Approval of the appointment of the chief financial officer of the Company (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (y) Carrying out any other function as may be required/mandated as per the provisions of the Companies Act, 2013, listing agreements and/or any other applicable laws;
- (z) Reviewing the utilization of loans and/ or advances from/investment by the Company in the subsidiary exceeding ₹100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing;
- (aa) Consider and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- (bb) Overseeing the vigil mechanism including to whom directors and employee shall report in case of any concern;

(cc) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Audit Committee.

(iii) The Audit Committee shall mandatorily review the following information:

- (a) Management discussion and analysis of financial condition and results of operations;
- (b) Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;
- (c) Internal audit reports relating to internal control weaknesses;
- (d) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee;
- (e) Details of related party transactions entered into by the Company pursuant to each omnibus approval given, on a quarterly basis;

(f) Statement of deviations as and when becomes applicable:

- (i) quarterly statement of deviation(s), submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
- (ii) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice, in terms of the SEBI Listing Regulations;
- (g) Quarterly statement of variation for public issue, rights issue and preferential issue indicating category-wise variation (capital expenditure, sales and marketing, working capital etc.) between projected utilization of funds and the actual utilization of funds, before the submission to stock exchange(s);
- (h) Annual report of the monitoring agency, immediately upon its receipt;
- (i) The financial statements, in particular, the investments made by any unlisted subsidiary.

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 and Remuneration Committee was constituted on April 1, 2015. Further, the Board at its Meeting held on August 10, 2021 has reconstituted the Nomination and Remuneration Committee. The following are the details of Nomination and Remuneration Committee composition, meetings and attendance for the period up to December 31, 2021:

Composition, attendance and details of nomination and remuneration committee meetings:

Name of the Director	Position	Category	No. of meetings held	No. of meetings attended
Mr. Tapan Ray	Chairman	Non-executive Independent Director	4	4
Mr. Jimmy Lachmandas Mahtani	Member	Non-executive Director	4	4
Mrs. Shyamala Gopinath	Member	Non-executive Independent Director	4	4
Mr. Ashish Agrawal	Member	Non-executive Director	3	3

The Board of Directors again at its meeting held on December 31, 2021 has reconstituted the Nomination and Remuneration committee w.e.f. January 1, 2022. The following are the details of Nomination and Remuneration Committee composition, meetings and attendance for the period from January 1, 2022 to March 31, 2022:

Name of the Director	Position	Category	No. of meetings held	No. of meetings attended
Mr. Tapan Ray	Chairman	Non-executive Independent Director	NA	NA
Mr. Jimmy Lachmandas Mahtani	Member	Non-executive Director	NA	NA
Mrs. Manju Agarwal	Member	Non-executive Independent Director	NA	NA

During the year under review, the Nomination and Remuneration Committee met four (4) times i.e., August 10, 2021, September 10, 2021, October 28, 2021 and December 31, 2021. The necessary quorum was present for all the Meetings. Mr. Rajiv Kaul is permanent invitee to the said committee.

Terms of Reference:

- (a) To be responsible for identifying and nominating, for approval of the Board and ultimately the shareholders, candidates to fill Board vacancies as and when they arise as well as putting in place plans for succession, in particular, with respect to the Chairman of the Board and the Chief Executive Officer;
 - (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (iii) remuneration to directors, key management personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- (b) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees. The NRC, while formulating the above policy, should ensure that –
 - (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (iii) remuneration to directors, key management personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- (c) Formulation of criteria for evaluation of performance of independent directors and the Board;
- (d) Devising a policy on diversity of the Board;
- (e) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report of the Company;

- (f) Analyzing, monitoring and reviewing various human resource and compensation matters;
- (g) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- (h) To regularly review the Board structure, size, composition and make recommendations to the Board on adjustments that are deemed necessary, in order to ensure an adequate size and a well-balanced composition of the Board and further to make determinations regarding independence of members of the Board;
- (i) To consider succession and emergency planning and taking into account the challenges and opportunities facing the Company and the skills and expertise therefore needed on the Board, reporting to the Board regularly;
- (j) Recommend to the Board, all remuneration, in whatever form, payable to the senior management personnel;
- (k) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- (l) Extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (m) Administering, monitoring and formulating detailed terms and conditions of the Company's ESOP Schemes, including any amendments made thereto, and any other employee stock option plan that the Company adopts in the future
- (n) Perform such functions as are required to be performed by the Compensation Committee under the SEBI (Share Based Employee Benefits) Regulations, 2014;
- (o) Carrying out any other function as is mandated by the Board from time to time and/or enforced/mandated by any statutory notification, amendment or modification, as may be applicable;



- (p) Performing such other functions as may be necessary or appropriate for the performance of its duties as prescribed under applicable laws;
- (q) To analyze, monitor and review various human resource and compensation matters;
- (r) To ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings;
- (s) To recommend to the Board whether to reappoint a director/independent director at the end of their term of office;
- (t) Annual performance evaluation of the chairperson and all directors including managing and other executive director with respect to their roles as directors;
- (u) To make recommendations to the Board concerning any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the Company subject to provision of the law and their service contract;
- (v) To ensure the development of guidelines for selecting candidates for election or re-election to the Board, or to fill vacancies on the Board;
- (w) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
 - (i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
 - (ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended, by the trust, the Company and its employees, as applicable;
- (x) To make available its terms of reference and review periodically those terms of reference and its own effectiveness and recommend and necessary changes to the Board;

- (y) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

Performance evaluation criteria for independent directors:

The Nomination and Remuneration Committee has formulated the criteria of evaluation of Independent Directors and the performance of the Independent Directors was evaluated during the year based on the said criteria.

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 committee were fulfilling their role and duties.

An annual evaluation of the Board was conducted to assess the performance of the Board as a whole and that of individual board members. Performance is assessed based on clearly defined objective criteria which are in line with company's policies. Performance is measured against commitments and bench marks.

As required under Regulation 25 of the SEBI Listing Regulations, a separate meeting of the Independent Directors of the Company was also held on December 24, 2021 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 independent directors :

Based on the recommendation of the Nomination and Remuneration Committee and Board of Directors of the Company, the shareholders vide Postal Ballot have approved remuneration to be paid to the Independent Directors of the Company. Pursuant to the approval, the remuneration paid to each of the Independent Director shall not exceed 0.50% of the Net profit of the Company for each financial year calculated as per 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 meetings of

the Board or Committee thereof (for maximum 4 board/committee meetings in a year) was paid to Independent Directors for the financial year 2021-22. Reference may be made to table below for details of Sitting fees and commission paid to Independent Directors for the financial year ended March 31, 2022:

	(₹ in Million)	
	Remuneration	Sitting Fees
Mrs. Shyamala Gopinath*	2.10	0.40
Mr. Tapan Ray	2.10	0.40
Ms. Sayali Karanjkar	0.53	0.10
Mrs. Manju Agarwal	0.53	0.10

* Independent Director up to December 31, 2021

Directors and Officer's Insurance (D & O) Insurance:

The Company has taken Director's & Officers' Management Liability & Company Reimbursement Insurance Policy.

Criteria for payment of sitting fees and commission to Independent Directors:

The Criteria for payment of sitting fees and commission to Independent Directors is 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.
- (d) Performance of the Company during the financial year.

Remuneration to the whole-time director and vice-chairman and key managerial personnel (KMP):

Remuneration to the Whole-time Director and Vice-chairman shall be in accordance with the provisions of the Act. Increments to the existing remuneration/compensation structure shall be recommended by the Nomination and Remuneration Committee to the Board which shall be within the overall maximum limits of managerial remuneration approved by the Shareholders for Whole-time Director and Vice-chairman of the Company and as per the agreements 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. Remuneration to KMPs is recommended by the Nomination and Remuneration Committee and approved by the Board and the same is line with

the policies of the Company. The Company has also granted Employee Stock Options to its Executive Vice-chairman & CEO and KMPs details of the same are available on Company's website at www.cms.com.

Details of the remuneration for the year ended March 31, 2022:

Based on the recommendation of Nomination & Remuneration Committee, all decisions relating to the remuneration of the Directors are taken by the Board in accordance with the Shareholders' approval. The details of remuneration paid to Independent Directors, Non-executive Director and to Vice-chairman-Executive Director & CEO for the Financial Year ended March 31, 2022 is provided hereinafter:

i. Non-executive Directors & Independent Directors:

	(₹ in Million)	
	Remuneration	Sitting Fees
Mrs. Shyamala Gopinath *	2.10	0.40
Mr. Krzysztof Wieslaw Jamroz	1.40	0.40
Mr. Tapan Ray	2.10	0.40
Ms. Sayali Karanjkar	0.53	0.10
Mrs. Manju Agarwal	0.53	0.10
Mr. Ashish Agrawal	-	-
Mr. Jimmy Lachmandas Mahtani	-	-
Total	6.65	1.40

* Independent Director up to December 31, 2021

ii. Remuneration to Executive Director and Key Managerial Personnel

Name	Designation	*Remuneration (₹ in Million)	
		Salary- Cost to Company excluding ESOP	Perquisite Cost on Exercise
Mr. Rajiv Kaul	Chief Executive Officer	108.79	559.72
Mr. Pankaj Khandelwal	Chief Financial Officer	15.30	31.43
Mr. Praveen Soni	Company Secretary	2.83	3.98

*Remuneration includes the perquisite value of stock options granted in previous years but exercised during the year.

The Company has a Nomination & Remuneration Policy for remuneration of Directors, Key Managerial Personnel and Senior Management of the Company, placed on the website of the Company i.e., www.cms.com

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 on August 19, 2017. Further, the Board at its meeting held on August 10, 2021 has reconstituted Stakeholders' Relationship Committee. The Following are details of Stakeholders' Relationship Committee composition, meetings and attendance for the period up to December 31, 2021:

Name of the Director	Position	Category	No. of meetings held	No. of meetings attended
Mr. Krzysztof Wieslaw Jamroz	Chairman	Non-executive Non Independent Director	NA	NA
Mr. Tapan Ray	Member	Non-executive Independent Director	NA	NA
Mr. Jimmy Lachmandas Mahtani	Member	Non-executive Director	NA	NA
Mr. Rajiv Kaul	Member	Executive Vice-chairman & CEO	NA	NA

The Board of Directors again at its meeting held on December 31, 2021 reconstituted Stakeholder's Relationship Committee w.e.f. January 1, 2022.

The Following are details of Stakeholder's Relationship Committee composition, meetings and attendance for period from January 1, 2022 to March 31, 2022:

Name of the Director	Position	Category	No. of meetings held	No. of meetings attended
Mr. Tapan Ray	Chairman	Non-executive Independent Director	NA	NA
Mrs. Shyamala Gopinath	Member	Non-executive Director	NA	NA
Mr. Krzysztof Wieslaw Jamroz	Member	Non-executive Director	NA	NA
Mr. Rajiv Kaul	Member	Executive Vice-chairman & CEO	NA	NA

For the period 2021-22, the meeting of a Stakeholders Relationship Committee was held on dt. May 6, 2022.

Terms of Reference:

- a) Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of declared dividends, non-receipt of annual reports, general meetings etc. and assisting with quarterly reporting of such complaints;
- b) To consider and look into various aspects of interest of shareholders, debenture holders and other security holders;
- c) Review of measures taken for effective exercise of voting rights by shareholders;
- d) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- e) To make available its terms of reference and review

periodically those terms of reference and its own effectiveness and recommend any necessary changes to the Board;

- f) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company;
- g) Giving effect to all transfer/transmission of shares and debentures, dematerialization of shares and rematerialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- h) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or the SEBI Listing Regulations or by any other regulatory authority
- i) The committee is authorised by the Board to:
 - i. investigate any activity within its terms of reference;

- ii. seek any information from any employee of the Company or any associate or subsidiary, joint venture Company in order to perform its duties and all employees are directed by the Board to cooperate with any request made by the Committee; and
- iii. call any director or other employee to be present at a meeting of the committee as and when required
- j) If the committee considers it necessary so to do it is authorised to obtain appropriate external advice including but not limited to legal and professional advice to assist it in the performance of its duties

and to secure the services of outsiders with relevant experience and expertise and to invite those persons to attend at meetings of the committee. The cost of obtaining any advice or services shall be paid by the Company within the limits as authorised by the Board.

Name, Designation and Address Of Compliance Officer:

Mr. Praveen Soni, 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, Telephone: 022- 4889 7400, E-mail ID: company.secretary@cms.com

Details of investor complaints received and redressed during FY 2021-22 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing balance
0	139	139	0

Above data is from the date Company got listed on BSE Ltd. and National Stock Exchange of India Ltd. i.e., December 31, 2021

d) Corporate Social Responsibility Committee:

The constitution of Corporate Social Responsibility (CSR) Committee is in compliance with the provisions of Section 135 of the Act. The CSR Committee was constituted and approved by a resolution of Board of Directors dated January 28, 2015. Further, the Board at its meeting held on August 10, 2021 has reconstituted Corporate Social Responsibility Committee. The following are details of Corporate Social Responsibility Committee Composition, meetings and attendance for period up to December 31, 2021:

Name of the Director	Position	Category	No. of meetings held	No. of meetings attended
Mr Rajiv Kaul	Chairman	Executive Vice-chairman & CEO	NA	NA
Mrs. Shyamala Gopinath	Member	Non-executive Independent Director	NA	NA
Mr. Tapan Ray	Member	Non-executive Independent Director	NA	NA
Mr. Jimmy Lachmandas Mahtani	Member	Non-executive Director	NA	NA
Mr. Krzysztof Wieslaw Jamroz	Member	Non-executive Non-independent Director	NA	NA

The Board of Directors again at its meeting held on December 31, 2021 reconstituted Corporate Social Responsibility Committee w.e.f. January 1, 2022.

The Following are details of Corporate Social Responsibility Committee composition, meetings and attendance for period from January 1, 2022 to March 31, 2022:

Name of the Director	Position	Category	No. of meetings held	No. of meetings attended
Mr. Rajiv Kaul	Chairman	Executive Vice-chairman & CEO	1	1
Ms. Sayali Karanjkar	Member	Non-executive Independent Director	1	1
Mrs. Shyamala Gopinath	Member	Non-executive Director	1	1
Mr. Krzysztof Wieslaw Jamroz	Member	Non-executive Director	1	1

Further, the CSR Committee at their meeting held on February 4, 2022 has adopted the revised Corporate Social Responsibility Policy in view of the amendments brought in by the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

During the financial year under review, the CSR Committee Meeting was held on February 4, 2022.

Terms of Reference:

- a) To formulate and recommend to the board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and make any revisions therein as and when decided by the Board;
- b) To recommend the amount of expenditure to be incurred on the activities referred to in (a);
- c) To monitor the CSR Policy of the Company from time to time and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programs;
- d) Instituting a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs or activities undertaken by the Company;
- e) Identifying corporate social responsibility policy partners and corporate social responsibility policy programs;
- f) Identifying and appointing the corporate social responsibility team of the Company including corporate social responsibility manager, wherever required;
- g) To do such other acts, deeds and things as may be directed by the board and required to comply with the applicable laws; and
- h) To perform such other activities as may be delegated by the Board or specified/provided under the Companies Act, 2013 or statutorily prescribed under any other law or by any other regulatory authority.

e) 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 at their meeting held on August 10, 2021.

The following are details of Risk Management Committee composition, meetings and attendance for period up to December 31, 2021:

Name of the Director	Position	Category	No. of meetings held	No. of meetings attended
Mr. Krzysztof Wieslaw Jamroz	Chairman	Non-executive Non-independent Director	NA	NA
Mrs. Shyamala Gopinath	Member	Non-executive Independent Director	NA	NA
Mr. Ashish Agrawal	Member	Non-executive Director	NA	NA

The Board of Directors again at it's meeting held on December 31, 2021 reconstituted Risk Management Committee w.e.f January 01, 2022.

The Following are details of Risk Management Committee composition, meetings and attendance for period from January 1, 2022 to March 31, 2022:

Name of the Director	Position	Category	No. of meetings held	No. of meetings attended
Mrs. Shyamala Gopinath	Chairperson	Non-executive Director	NA	NA
Mr. Tapan Ray	Member	Non-executive Independent Director	NA	NA
Mr. Krzysztof Wieslaw Jamroz	Member	Non-executive Non-independent Director	NA	NA
Mr. Ashish Agrawal	Member	Non-executive Director	NA	NA
Mr. Pankaj Khandelwal	Member	Chief Financial Officer	NA	NA

For the period under review, one meeting of Risk Management Committee was held on May 6, 2022. Mr. Rajiv Kaul is permanent invitee to the said committee.

Terms of Reference:

- a) To formulate a detailed risk management policy which shall include:
 - i. a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, Environmental, Social and Governance (ESG) related risks), information, cyber security risks or any other risk as may be determined by the Committee;
 - ii. measures for risk mitigation including systems and processes for internal control of identified risks; and
 - iii. business continuity plan.
- b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- e) To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;
- f) To review the appointment, removal and terms of remuneration of the Chief Risk Officer, if any;
- g) To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board.
- h) To monitor and review the risk management plan and perform such other functions including specifically cyber security, as may be delegated by the Board.

GENERAL BODY MEETINGS:

i. General Meeting:

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

Particulars	Financial Year 2018-19	Financial Year 2019-20	Financial year 2020-21
Date	August 30, 2019	September 22, 2020	June 30, 2021
Time	11.00 a.m.	12:00 noon	05.00 p.m.
Venue	Silver Metropolis, 11 th floor, Jay Coach Compound, Off western Express High way, Goregaon East, Mumbai - 400 063	Video Conferencing	Video Conferencing
Special Resolutions	No special resolution was passed.	No special resolution was passed.	No special resolution was passed.

b) Extraordinary General Meeting:

During the year under review, the Company held 4 (Four) Extra Ordinary General Meetings (EGM), the details are given hereunder:-

Date	April 9, 2021
Time	04.00 p.m.
Venue	T-151, 5 th Floor, Tower No. 10, Railway Station Complex, Sector-11, CBD Belapur, Navi Mumbai - 400 614
Special Resolution	(1) To consider and approve the appointment of Mr. Tapan Ray as Non-executive Independent Director of the Company.
Date	August 13, 2021
Time	06.00 p.m.
Venue	T-151, 5 th Floor, Tower No. 10, Railway Station Complex, Sector-11, CBD Belapur, Navi Mumbai - 400 614
Special Resolutions	(1) Amendment to Articles of Association of the Company. (2) Approval for appointment of Mr. Krzysztof Wieslaw Jamroz as Non-executive Director on the Board. (3) Amendment to CMS Management Stock Option Plan 2016. (4) Amendment to CMS Employees Stock Option Plan 2016.



Date	September 10, 2021
Time	06.00 p.m.
Venue	T-151, 5 th Floor, Tower No. 10, Railway Station Complex, Sector-11, CBD Belapur, Navi Mumbai - 400 614
Special Resolutions	(a) Approval to amend, replace and approve the ESOP Plans of the Company to align with the SEBI (Share Based Employees Benefits & Sweat Equity) Regulations, 2021 (b) Approval for extension of restated and amended Employment Agreement dated October 14, 2020 appointing Mr. Rajiv Kaul as the CEO and Whole-time Director of the Company by 1 year from April 1, 2022 to March 31, 2023.
Date	October 28, 2021
Time	05.00 p.m.
Venue	801, Piramal Towers, Peninsula Corporate Park, Lower Parel, Mumbai - 400 013
Special Resolutions	(a) Managerial remuneration of Mr. Rajiv Kaul, Executive Vice-chairman, Chief Executive Officer & Whole-time Director of the Company in the event of exercise of ESOPs. (b) Managerial remuneration payable to all the Directors in the event of exercise of ESOPs by Mr. Rajiv Kaul.

ii. Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:

During the financial year 2021-22, the Company vide Postal Ballot Notice dated February 4, 2022 proposed the following Resolutions which was passed by the requisite majority of the shareholders on March 15, 2022:

As Special Resolution

- a) Appointment of Mrs. Manju Agarwal as Non-executive Woman Independent Director
- b) Appointment of Ms. Sayali Karanjkar as Non-executive Woman Independent Director
- c) Appointment of Mrs. Shyamala Gopinath, as Non-executive Non-independent Director
- d) Approval for alteration of the Articles of Association of the Company.
- e) Ratification of CMS Employee Stock Option Plan 2016.

As Ordinary Resolution

- f) Arrangement between Mr. Rajiv Kaul, Executive Chairman, Whole-time Director & CEO and Vault Co-Investment Vehicle L.P.

Person conducting the Postal Ballot Exercise

Mr. Mukesh Siroya, M/s. M. Siroya & Company, Practicing Company Secretary was appointed as person responsible for the entire Postal Ballot process. Mr. Siroya, Practicing Company Secretary conducted the Postal Ballot process and submitted his report to the Company.

Procedure followed for Postal Ballot

1. In compliance with Regulation 44 of the SEBI Listing Regulations and Sections 108, 110 and other applicable provisions of the Act read with the rules made thereunder, the Company provided electronic voting facility to all its Members to enable them to cast their votes electronically. The Company engaged the National Securities Depository Limited (NSDL) for the purpose of providing remote e-voting facility to the members for voting on the proposed 5 special resolutions and 1 ordinary resolution.
2. The Company dispatched the Postal Ballot Notice dated February 4, 2022 containing the resolutions together with the explanatory statement only through electronic mode in compliance with the relevant Circulars issued by Ministry of Corporate Affairs, to those Members whose e-mail addresses were registered with the Company/Depository Participant and whose names were recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e., February 4, 2022. The Company also published a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable rules.

3. The remote e-voting facility was open for Members to vote from 09:00 a.m. on Monday, February 14, 2022 to Tuesday 05:00 p.m. on March 15, 2022.
4. The Scrutinizer submitted his report on March 16, 2022 after the completion of scrutiny.
5. The result of the Postal Ballot was declared on March 16, 2022. The Resolutions passed by requisite majority was deemed to have been passed on the last date of remote e-voting i.e., March 15, 2022.
6. The result of the Postal Ballot is 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.
7. Details of voting results of the Postal Ballot resolutions:-

Special Resolution	No. of Votes Polled	Votes cast in favor of the Resolution (No. & %)	Votes cast against the Resolution (No. & %)
Appointment of Mrs. Manju Agarwal as Non-executive woman Independent Director	12,71,01,147	12,70,92,772 (99.99%)	8,375 (0.007%)
Appointment of Ms. Sayali Karanjkar as Non-executive woman Independent Director	12,70,99,786	12,70,91,416 (99.99%)	8,370 (0.007%)
Appointment of Mrs. Shyamala Gopinath, as Non-executive Non-independent Director	12,71,01,019	12,70,58,201 (99.96%)	42,818 (0.034%)
Approval for alteration of the Articles of Association of the Company.	12,71,00,700	11,18,40,740 (87.99%)	1,52,59,960 (12.00%)
Ratification of CMS Employee Stock Option Plan 2016	12,71,01,081	11,49,73,172 (90.46%)	1,21,27,909 (9.54%)
As Ordinary Resolution	No. of Votes Polled	Votes cast in favor of the Resolution (No. & %)	Votes cast against the Resolution (No. & %)
Arrangement between Mr. Rajiv Kaul, Executive Chairman-Whole-time Director & CEO and Vault Co-Investment Vehicle L.P.	12,55,83,632	12,01,23,473 (95.65%)	54,60,159 (4.35%)

Details of special resolution proposed to be conducted through postal ballot:

Currently there are no matters which are required to be passed as a Special resolution through a Postal ballot. Special Resolution by way of a Postal Ballot, if required to be passed in the future, will be decided at that relevant time and the same would be communicated well in advance to the stakeholders..

Other Disclosures:

Particulars	Regulations	Details	Website link for details/policy
Related party transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	During the year under review, there were 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. The Board has revised and approved a policy for Related Party Transactions which become effective from February 4, 2022 and the same has been uploaded on the Company's website.	www.cms.com
Details of non-compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets during the last three years.	Schedule V (C) 10(b) to the SEBI Listing Regulations	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., from the date of listing of Equity Shares i.e., December 31, 2021.	NA



Particulars	Regulations	Details	Website link for details/policy
Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Ethics. No person has been denied access to the Audit Committee. The said policy has been uploaded on the Company's website.	www.cms.com
Details of compliance with mandatory requirements and adoption of the non-mandatory requirements	SEBI Listing Regulations	The Company has complied with all the mandatory requirements of Regulation 34(3) and Schedule V of SEBI Listing Regulations.	-
Material Subsidiary companies	Regulation 24 of the SEBI Listing Regulations	The Company has Securitrans India Private Limited, material unlisted Indian Subsidiary. The Company's Audit Committee reviews the Consolidated Financial Statements of the Company as well as the Financial Statements of the Subsidiaries, including the investments made by the Subsidiaries, if any. The Company has formulated a policy for determining Material Subsidiaries and the policy is disclosed on the website of the Company	www.cms.com
Policy on Determination of Materiality for Disclosures	Regulation 30 of SEBI Listing Regulations	The Company has adopted a Policy for Determining Materiality of Events/Information. The said policy has been put on the Company's website	www.cms.com
Policy on Archival and Preservation of Documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted a Preservation of Documents and Archival Policy for preservation of documents. The said policy has been put on the Company's website	www.cms.com
Dividend Distribution Policy	Regulation 43A of the SEBI Listing Regulations	The Company has adopted Dividend Distribution Policy for distributing the profits of the Company to the shareholders. The said policy has been put on the Company's website	www.cms.com
Reconciliation of Share Capital Audit Report	Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No. D&CC / FITTC/ Cir-16/2002 dated December 31, 2002.	A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. The said audit is applicable to the Company as on the date of this report.	www.cms.com
Details of utilization of funds raised through preferential allotment or qualified institutions placement	Regulation 32 (7A) of the SEBI Regulations	During the financial year 2021-22, the Company did not raise any funds through preferential allotment.	-
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.	Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)	The Company has obtained the certificate from M/s. M. Siroya and Company, Practicing Company Secretaries for the financial year ended March 31, 2022, copy of which is appended to this report.	-

Particulars	Regulations	Details	Website link for details/policy
CEO and CFO Certification	Regulation 17(8) read with Schedule II Part B of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	The Executive Vice-chairman-Whole-time Director & Chief Executive Officer & Chief Financial Officer have given appropriate certifications to the Board of Directors and annexed as Annexure A to this Report.	-
Practicing Company Secretary Certificate on Corporate Governance	In terms of Para E of Schedule V of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	A certificate of compliance from independent practicing company secretary as stipulated under the Regulations, is also obtained and annexed to this report	-
Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.	-	Particulars of total fees paid to Auditor are provided in Note No. 26 to the standalone financial statements.	-
Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2018	-	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 complaint. During FY 2021-22, no complaint was received by the Company in this regard.	-
Recommendation made to the Board of Directors by its Committees.	-	There was no instance during the financial year 2021-22, wherein the Board of Directors of the Company did not accept recommendations made to it by any of its Committees.	-
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 Directors provided in the Companies Act, 2013. The Code has been displayed 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. The declaration signed by Mr. Rajiv Kaul, Executive Chairman-Whole-time Director & CEO stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management is forming part of this report.	-
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.	-	Loan of ₹ 143.86 Million to subsidiary represents loan give to Hemabh Technology Private Limited (Wholly-owned Subsidiary) for business needs which is repayable on demand.	-

The Status of adoption of the Non-Mandatory requirements as specified in sub-regulation 1 of regulation 27 of the SEBI Listing Regulations is as under:

- a) The Board: Mrs. Shyamala Gopinath, Non-executive Non-independent Director is Chairperson of the Company w.e.f. January 1, 2022.
- b) Shareholders Rights: The Company got listed on December 31, 2021 and accordingly, the Half yearly and quarterly results are published in newspapers and also uploaded on company's website.



- c) Modified opinion(s) in audit report: The Auditor’s Report is with unmodified opinion.
- d) Separate posts of Chairperson and the Managing Director or the Chief Executive Officer: The Chairperson is Non-executive and not related to the Managing Director or the Chief Executive Officer as per the definition of the term “relative” defined under the Companies Act, 2013.
- e) Reporting of Internal Auditor: Internal Auditors of the Company reports to the Audit Committee.

III. MEANS OF COMMUNICATION

Financial Results	The Yearly results for F.Y. 2021-22 were intimated to the Stock Exchanges after the Board Meeting at which they were approved. The results of the Company were also published in at least one prominent national newspaper and one regional newspaper having wide circulation.
Annual Report	Annual Report containing <i>inter alia</i> Audited Financial Statements, Consolidated Financial Statements, Board’s Report, Auditor’s Report, and other important information will be circulated to the shareholders and others entitled thereto. The Management’s Discussion and Analysis Report forms a part of the Annual Report. The Annual Report is displayed on the Company’s website at www.cms.com
Communication to shareholders on Email	As mandated by the Ministry of Corporate Affairs (MCA) documents like Notices, Annual Report, ECS advices for dividends, etc. are sent to the shareholders at their email address, as registered with their Depository Participants/ Company/ Registrar and Transfer Agents (RTA), which help in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.
Website	All the information and disclosures required to be disseminated as per Regulation 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Companies Act, 2013 are being posted at Company’s website: www.cms.com The official news releases and presentations to the institutional investors or analysts, if made any are disseminated to the Stock Exchanges at www.bseindia.com and www.nseindia.com and the same is also uploaded on the website of the Company www.cms.com . The Company has organized investor conferences calls to discuss its financial results, where investor queries were answered by CEO and CFO of the Company. The transcript of the conference calls are submitted to the stock exchanges and also posted on the website of the Company viz. www.cms.com
Designated E-mail address for investor services	To serve the investors better and as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the designated e-mail address for investors complaints is investors@cms.com This e-mail address for grievance redressal is continuously monitored by the Company’s Compliance Officer.
SEBI Complaints Redress System (SCORES)	The investor complaints are processed in a Centralized web-based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

IV. GENERAL SHAREHOLDER INFORMATION:

The Company is registered with the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is U45200MH2008PLC180479 and post listing the CIN is updated to L45200MH2008PLC180479.

a) Annual General Meeting for FY 2021-22:

AGM date, time and venue	The AGM of the Company will be held on Wednesday, September 21, 2022 at 03.00 p.m. through Video Conference or other audio-visual means. For details, please refer to the Notice of this AGM. As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings, particulars of Directors seeking re-appointment at this AGM are given in the Annexure to the Notice of this AGM
Financial Year	April 1, 2021 to March 31, 2022
Cut-off Date/Record Date	The cut-off date/record date for determining the eligibility to vote by electronic means and for the purpose of ascertaining the eligibility of members entitled to dividend be fixed as Wednesday, September 14, 2022.
Dividend Payment Date	On or after September 21, 2022
Registered Office and address for correspondence	T-151, 5 th Floor, Sector 11, Tower No 10, Railway Station Complex, CBD Belapur, Navi Mumbai, Thane - 400 614, Maharashtra Telephone: 022-4889 7400 Designated e-mail address for Investor Services: investors@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 Mobile: 022-48897400 E-mail: investors@cms.com
Name and Address of Stock Exchanges where Company’s securities are listed	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 543441 ISIN: INE925R01014 National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051. Trading Symbol CMSINFO
Listing fees	The necessary annual listing fees have been duly paid to both the Stock Exchanges i.e., BSE and NSE.
Share Registrar and Transfer Agents	Link Intime India Private Limited C 101, 247 Park, 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 Monali Nagwekar, Phone+91 22 49186000 Extension 2331 Depository services: National Securities Depository Limited Trade World, A Wing, 4 th & 5 th Floors, Kamala Mills Compound, Lower Parel, Mumbai - 400 013. Tel.: +91 22 2499 4200; Fax: +91 22 2497 6351 E-mail: info@nsdl.co.in Investor Grievance: relations@nsdl.co.in Website: www.nsdl.co.in Central Depository Services (India) Limited Marathon Futurex, A-Wing, 25 th 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
Company Secretary & Compliance officer	Mr. Praveen Soni Contact Number : 08976781368

b) Market Price Data:

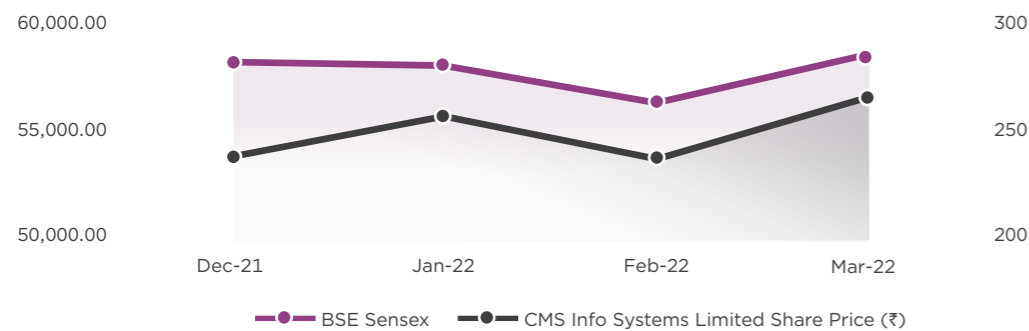
The Company's Equity Shares were listed at BSE and NSE on December 31, 2021

Month	BSE			NSE		
	No. of			No. of		
	High Price (₹)	Low Price (₹)	No. of Shares Traded	High Price (₹)	Low Price (₹)	No. of Shares Traded
December 2021*	260.00	215.00	30,05,456	259.60	215.10	4,90,60,000
January 2022	317.90	229.75	66,81,573	317.45	229.55	8,12,24,000
February 2022	283.75	225.25	32,32,230	284.00	225.10	2,09,45,000
March 2022	276.80	230.20	12,53,627	277.00	231.00	85,41,000

* The Company got listed on 31/12/2021.

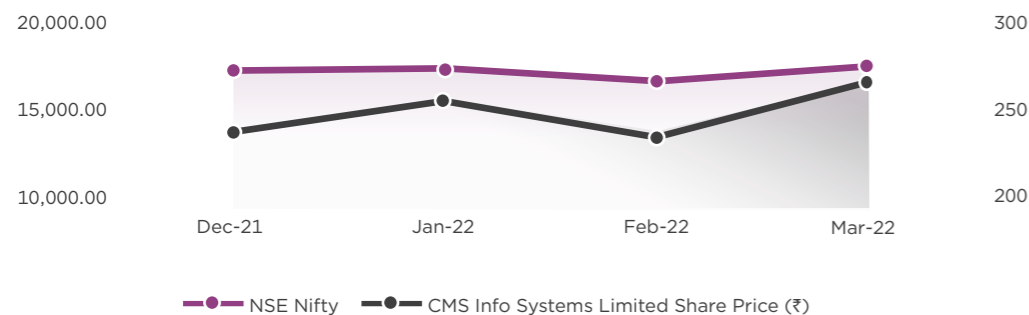
Performance of Company's stock vis a vis BSE SENSEX:

Relative performance of the Company's Shares Price with BSE Sensex



Performance of Company's stock vis a vis NSE Nifty :

Relative performance of the Company's Shares Price with NSE Nifty



Share Transfer System:

Nomination Facility for shares held in physical form

Shareholders who hold shares in physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Act, may submit request to Registrar and Transfer Agent (RTA) in the prescribed Forms SH-13/SH-14.

For Shares held in Electronic Form

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, e-mail address, nomination and power of attorney should be given directly to the Depository Participant (DP).

Number of Shares held in Physical Form

As on March 31, 2022, a total of five (5) Equity Shares were held in physical form.

c) Shareholding as on March 31, 2022:

i. Distribution of equity shareholding as on March 31, 2022:

Shareholding of nominal shares (Range)	Number of shareholders	% of total shareholders	Total shares for the range	% of issued capital
1 to 5,000	1,40,545	97.5966	88,53,729	5.7810
5,001 10,000	1,906	1.3236	15,23,004	0.9944
10,001 20,000	810	0.5625	11,92,979	0.7789
20,001 30,000	222	0.1542	5,59,256	0.3652
30,001 40,000	109	0.0757	3,88,097	0.2534
40,001 50,000	111	0.0771	5,31,884	0.3473
50,001 1,00,000	153	0.1062	11,73,204	0.7660
1,00,001 and above	150	0.1042	13,89,30,594	90.7137
Total	1,44,006	100.00	15,31,52,747	100.00

ii. Categories of equity shareholding as on March 31, 2022:

Category	Number of equity shares held	Percentage of holding (%)
Promoters and Promoter Group	9,70,74,075	63.38
Mutual Funds	2,44,83,927	15.99
Insurance Companies	14,67,597	0.96
Alternate Investment Fund	25,15,789	1.64
Foreign Portfolio Investors	1,46,13,253	9.54
Public	1,05,62,100	6.90
HUF	5,55,885	0.36
NRI	4,25,057	0.28
NBFCs registered with RBI	4,140	0.00
Trusts	3,451	0.00
Body Corporate and Others	14,47,473	0.95
GRAND TOTAL	15,31,52,747	100.00

iii. Top ten equity shareholders of the Company as on March 31, 2022:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage of holding
1.	Sion Investment Holdings Pte. Limited	9,70,74,069	63.3838
2.	Wf Asian Reconnaissance Fund Limited	88,43,973	5.7746
3.	SBI Small Cap Fund	82,86,487	5.4106
4.	Rajiv Kaul	40,00,000	1.5114
5.	Nomura India Investment Fund Mother Fund	23,14,812	1.1737
6.	ICICI Prudential Smallcap Fund	17,97,549	1.0385
7.	Goldman Sachs Funds - Goldman Sachs India Equity Portfolio	15,90,506	0.9583
8.	SBI Life Insurance Co. Ltd.	14,67,597	0.9302
9.	Abakkus Growth Fund-2	14,24,678	0.921
10.	Theleme India Master Fund Limited	14,10,601	0.9163

ANNEXURE A

VII. DEMATERIALIZATION OF SHARES AND LIQUIDITY:

The Company's shares are compulsorily traded in dematerialized form on BSE and NSE. The ISIN of the Equity Shares of your Company is INE925RO1014 and only 5 Equity Shares were held in physical mode as on March 31, 2022.

d) Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments and hence, as on March 31, 2022, the Company does not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

e) Commodity price risk or foreign exchange risk and hedging activities:

As the Company has limited exposure to foreign exchange, hedging is not required to cover the risk and commodity price risk is not applicable to the Company.

f) Equity shares in the suspense account:

The Company does not required to have any equity shares in the suspense account.

g) 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.

h) Plant Location:

Since, the Company provides services, the Company does not have any manufacturing plant. It operates from Registered & Corporate Office and branches located at different places throughout India.

i) Secretarial Audit:

The Board of Directors at their meeting held on May 25, 2021 has appointed Mr. Mukesh Siroya, Practicing Company Secretary as Secretarial Auditor of the Company to conduct secretarial audit of its records and documents for the financial year 2021-22. The secretarial audit report confirms that the Company has complied with all applicable provisions of the Act, Secretarial Standards, Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015, each as amended and all other regulations and guidelines of SEBI as applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.

j) Credit Rating:

The Company has received the following credit ratings for its long-term and short-term Bank Loan facilities from ICRA:

Rating	Facility
[ICRA]AA (Stable)	Long term credit Facilities
[ICRA]A1+	Short term credit Facilities

k) Share Price:

Share Price: ₹ 251.55 per share on BSE Limited as on May 9, 2022.

On Behalf of the Board of Directors for
For **CMS Info Systems Limited**

Place: Mumbai
Date: May 9, 2022

Ashish Agrawal
Director

Rajiv Kaul
Executive Vice Chairman & CEO

DECLARATION

I hereby confirm that the Company has received confirmations from all members of the Board and Senior Management that they are in compliance with the Company's code of conduct for the financial year ended March 31, 2022.

For CMS Info Systems Limited

Rajiv Kaul
Executive Vice-chairman & CEO

DIN: 02581313
Date: May 9, 2022
Place: Mumbai



ANNEXURE B

CERTIFICATE ON CORPORATE GOVERNANCE BY PRACTICING COMPANY SECRETARY

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 period from December 31, 2021 (date of Listing) to March 31, 2022, 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.

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
 UDIN: F005682D000289011

Date: May 9, 2022
 Place: Mumbai

ANNEXURE C

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and clause (10)(i) of Para C of Schedule V to the SEBI
 (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
**The Members of
 CMS INFO SYSTEMS LIMITED**
 T-151, 5th Floor, Tower No.10, Sector-11,
 Railway Station Complex, CBD Belapur,
 Navi Mumbai, Thane - 400 614.

We have examined the relevant register, records, forms, returns and disclosures received from the Directors of CMS INFO Systems Limited bearing CIN L45200MH2008PLC180479 and having registered office at T-151, 5th Floor, Tower No. 10, Sector-11, Railway Station Complex, CBD Belapur, Navi Mumbai, Thane - 400 614. (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal of the Ministry of Corporate Affairs at "www.mca.gov.in") as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Rajiv Kaul	02581313	01/07/2009
2	Mr. Ashish Agrawal	00163344	27/08/2015
3	Mr. Jimmy Lachmandas Mahtani	00996110	27/08/2015
4	Mrs. Shyamala Gopinath	02362921	11/11/2017
5	Mr. Tapan Ray	00728682	09/04/2021
6	Mr. Krzysztof Wieslaw Jamroz	07462321	10/08/2021
7	Mrs. Manju Agarwal	06921105	01/01/2022
8	Ms. Sayali Karanjkar	07312305	01/01/2022

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of 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
 UDIN: F005682D000288976

Date: 09.05.2022
 Place: Mumbai



ANNEXURE D

CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

1. We have reviewed the Financial Statements and the cash flow statement of CMS Info Systems Limited for the financial year 2021-22 and to the best of our knowledge and belief we certify that:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.
4. We confirm that there are no:
 - a) significant changes in internal control over financial reporting during the year;
 - b) significant changes in accounting policies during the year;
 - c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **CMS Info Systems Limited**

Place: Mumbai
Date: May 9, 2022

Rajiv Kaul
Executive Vice-chairman &
CEO

Pankaj Khandelwal
Chief Financial Officer

Management Discussion and Analysis Report

INDUSTRY OVERVIEW

The Indian economy witnessed a strong upsurge during the current financial year as the real Gross Domestic Product (GDP) grew by 8.9% as compared to a decline of 7.3% in the previous financial year. During the year, the economy made a sharp V-shaped recovery and there was an increase in capital expenditure, increase in consumption and economic activities.

The cash in circulation ("CIC"), which is the total of cash with banks and currency with the public, has also crossed ₹ 31 Lakh Crores by March 2022, growing strongly at approximately 10% over March 2021. Total currency handled by the Company grew 2x faster at 22% to ₹ 11.2 Lakh Crores in FY 2021-22 indicating robustness of cash as a mode of conducting commerce as well as broader recovery in economic activities and consumption in India.

India has continued to witness formalization of the economy with both government-led initiatives such as GST implementation and changing consumer patterns in favor of organized retail and e-commerce. The same has led to a strong growth in CMS's retail cash management business with per point throughput value crossing pre-pandemic levels. We are particularly seeing strong bounce-back in sectors which were hitherto affected during the pandemic namely organized retail, travel, hospitality and entertainment, as demonstrated by the CMS Cash Index™ (accessible at www.cms.com/cash-index.php).

With public sector bank (PSB) mergers and recapitalization being completed and revival of operations to pre-pandemic levels, banks are getting back to expansion mode and expanding their service networks.

The total installed ATM base in the country continued to expand during FY 22. During FY 22 the installed base in the country grew by around 10,000 ATMs indicating the relevance and importance of ATMs in Indian Banking and Payment Ecosystem.

Region	Year end Mar'19	Year end Mar'20	Year end Mar'21	Year end Mar'22
Metro/Urban	116,851	123,364	123,882	118,717
Semi Urban Rural	104,852	110,993	114,706	129,590
Total	221,703	234,357	238,588	248,307

The Reserve Bank of India (RBI) has been focused on customer service and quality of the ATM networks in the country and aiming to move ATM operations in India to global standards. The RBI also hiked the ATM interchange from ₹ 15 to ₹ 17 per transaction. The regulator's focus on improving the quality of ATM networks is demonstrated by the series of regulatory guidelines and operating standards issued, summarized as follows:

- April 2018: Eligibility criteria for CITs and guidelines for currency movement in the country
- April 2018: Mitigation cash replenishment risk
- June 2018: Upgrading ATM security infrastructure
- May 2019: Timely reconciliation of ATM transactions
- June 2019: Enhancement of ATM security, including recommendation of remote monitoring
- Mar 2022: Cassette swap implementation deadline set

Banks are increasingly focusing on outsourcing of their ATM networks to high quality service providers to meet these RBI operating standards. This outsourcing is similar to IT services in terms of end-to-end outsourcing over a multi-year period with predictable revenue streams. Integrated end-to-end players with high quality and service levels are best placed to capture this growing addressable market opportunity.

COMPANY OVERVIEW

Founded in 2009, CMS started as a services company primarily offering IT maintenance services and evolved to become a leader in Cash management for the country's banking sector. Over the last five to six years, CMS has further diversified to create an integrated platform for business services. Today CMS is one of India's leading Business Services and Technology Solutions companies with specific focus on BFSI and Organized Retail sectors with offerings around Cash Logistics Services, ATM value chain, Software Solutions and AIOT based remote monitoring.

Over the years, CMS has built strong brand presence amongst its customers and has also become market leader in Cash Management Industry not just in India but also ranking as one of the top-5 ATM cash management companies globally as well. CMS has leveraged its market leadership in cash logistics to vertically and horizontally expand offerings across managed services and AIOT based remote monitoring.

FY 22 BUSINESS PERFORMANCE

Our consolidated revenue from operations stood at ₹ 15,897 Million compared to ₹ 13,061 Million in FY21 representing an increase of 22%. During the year under review, the Company has reported a consolidated Profit before Tax of ₹ 3,014 Million as compared to ₹ 2,378 Million in the previous year.

Net profit for the year stood at ₹ 2,240 Million which indicates 33 % increase over the previous year.

The Company reported EBITDA of ₹ 4,017 Million in FY 22 as compared to ₹ 3,024 Million in FY 21, an increase of 33% over last year. EBITDA margin % for the current financial year improved from 23.2% in FY 21 to 25.3% in FY22 showing improvement of 210 bps. Similarly, PAT margin% for the company expanded by 120 BPS from 12.9% in FY 21 to 14.1% in FY 22.

The good performance was on account of strong revenue growth and significant improvement in margin across both the Cash Management and Managed Service segments. The underlying improvement in margins was driven by a combination of factors, including, but not limited to, higher operating leverage and network density, use of technology to automate logistics operations, higher share of value-added solutions and launch of new business lines.

	FY22 (₹ in Million)	% of Revenue	FY21 (₹ in Million)	% of Revenue
Revenue				
Cash Management	10,588	66.6%	8,961	68.6%
Managed Services	4,896	30.8%	3,641	27.9%
Cards	413	2.6%	459	3.5%
Total Revenue	15,897	100.0%	13,061	100.0%

The Cash Management business revenue grew at 18% over the previous financial year registering ₹ 10,588 Million which is driven by growth in points on account of strong market consolidation trends supported by the banks increasingly preference to high quality cash management companies. We have registered a very strong volume and market share growth across all sub business segments and continued to drive automation among various operational processes using technology which has helped to maintain and grow the margins despite strong inflationary pressures in terms of rising fuel and commodity prices due to unexpected Russia-Ukraine conflict

The Managed Services business has continued on its strong growth trajectory as it recorded revenues of ₹ 4,896 Million, a strong growth of 34% in this year as compared to the previous financial year. The growth in this segment for this year is on account of execution of the order book which we won over the last 12-18 months.

CASH MANAGEMENT BUSINESS

CMS continued to maintain its market leadership across segments of the cash management industry. In ATM cash management segment, its market share increased from 42% as of March 2021 to 47% in March, 2022 based on number of ATMs outsourced for cash management. CMS is also a market leader in the Retail Cash Management as well as in the Dedicated Cash-in-transit vans segments.

Our total business points for cash management have grown from 103,000 in March 2021 to 113,000 in March 2022, resulting in an annual growth of 10% as compared to the previous year.

With the investments done to comply with RBI/MHA guidelines we have achieved compliance for ~50% of its route network. Compliance implementation, coupled with easing of lockdowns and opening up of the economy, has also driven improvement in realisations.

Large part of route network in Cash Management Business is dynamically routed and is supported by strong technology stack for automating process throughout the chain. We continue to keep investing in upgrading and expanding our network which spans over 16,000 pin codes. The investment done in technology and network upgradation over last few years have helped us expand our margin profile in this segment

MANAGED SERVICES BUSINESS

Managed Services business has seen a strong growth across segments which is steered by the execution of the ₹ 20 Billion order book secured over the last 18 months and as well as due to new wins across Brown Label ATMs, Remote Monitoring, Banking automation products and kiosks.

Despite COVID-19 linked supply chain restrictions, CMS successfully completed the execution of State Bank of India and another public sector bank’s Brown label ATM deployment, we are pleased to share that ATMs managed by us are delivering robust uptime and healthy transactions trends.

As of March 31, 2022, CMS managed over 12,000 ATMs under Brown Label and Managed Services models, up from around 10,000 in the previous year.

We entered the Remote Monitoring space during FY 2022 through an acquisition of Hemabh Technology Private Limited, a technology start-up in the video analytics based Remote Monitoring space, and followed it up with two large wins from SBI and a public sector bank for a consolidated order book of over 25,000 sites for remote monitoring. We are pleased to inform that it has a state-of-the-art CERT-IN certified Remote monitoring platform that uses AI-driven intelligent technology to monitor more than 10,000 sites across ATMs, bank branches and gold loan NBFC branches. During the last 6 months the remote monitoring of ATMs set up prevented 108 thefts, 63 frauds and alerted four fires.

CMS Remote Monitoring Capabilities



CMS Software Solutions suite also continues to deliver wins with leading banks in the country. A few years ago, we had developed ALGO - AI-based ATM security software. we are now deploying the solution for a large public sector bank’s 7,000 ATMs. In addition, CMS’s Multi-Vendor Solution (MVS) also powers ~50,000 ATMs of India’s largest bank, State Bank of India.

OUTLOOK

As India’s economy expected to grow and with the consumption picking up, the banking sector will likely get back into expansion and investment mode.

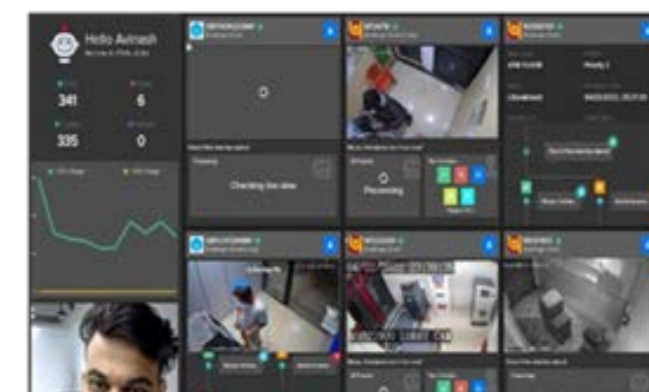
With the Banking sector focusing on refreshing and expanding the ATM network in the country, we are witnessing a very strong ATM RFP pipeline of 30,000+ ATMs and cash recyclers for the next 12 months. Given shifts of banks to an asset light Brown label ATM (BLA) model for their new deployment and replacement, there is increasing preference for integrated Managed Services Companies and high quality Cash management players.

There is strong market consolidation happening in Cash management business in line with most of the global economies where the industry is concentrated and served by large and high-quality players. There are strong tailwinds linked to compliance implementation.

The above tailwinds, in combination with our entry into Remote Monitoring, presents the Company an addressable market of ₹ 25,000 Crores in the next five years.

The Company’s Tech-based solutions developed over the last few years, particularly remote monitoring, have applications and opportunities outside the BFSI sector is remarkable.

With the significant growth opportunity in the market for the Company’s business segments, we are optimistic about the journey ahead and on-track towards medium-term aspirations.



Though the Banking sector is on upcycle with respect to Cash management business, we continue to keep a watchful eye for any of the following challenges which, if they fructify, will impact this upward trajectory:

- Any further pandemic induced lockdowns
- High rate of inflation
- Considerable changes in technology
- Changes to regulatory and compliance requirements which affect our operational or competitive efficacy
- Cyber threats and data and information leakages
- Threats to the safety and security of our personnel, who form the backbone of our operations, or to the assets that we own and run or help to manage can jeopardize our position

ENVIRONMENT, HEALTH AND SAFETY

CMS is committed to the execution of all activities in a manner that ensures Health, Safety and Environmental protection of all its employees, clients, contractors and communities in which they live and work.

We aim to comply with applicable health and safety regulations and other requirements in its operations and have adopted a health and safety policy that is aimed at ensuring the safety of its employees, the third-party service and security service providers and the people working in and around its business. We have put in place various work safety measures to ensure a safe working environment for its workforce and stakeholders.

CMS Covid Response

The COVID-19 pandemic has created unique environment and landscape including certain challenges to many aspects of the Company's business. In particular, in the months of April and May 2021, there was a significant resurgence in the daily number of new COVID-19 cases resulting hospitalisation and deaths. CMS's (consol. Basis) Pan-India workforce including over 7,000 employees and over 15,000 third-party service personnel were exposed to the pandemic and, like the rest of the country, we also faced health and safety hazards, including infections and deaths.

CMS set up a comprehensive COVID-19 support team including stock and facility support and created a vaccination program to overcome the pandemic. COVID

Task Force and quick-response teams (QRT) were set up across the country that monitored employee health tracking through QRT, branch network and call-centers for infected employees. A 24x7 monitoring centre was also set up for the same.

The Company had constituted a central procurement team to manage critical resources such as emergency kits, prescription medicines and oximeters at branches. We deployed oxygen cylinders at 12 locations and beds at 45 locations. More than 40 oxygen concentrators across various locations and 200+ oximeters were sent to home-quarantined employees. We also provided tele-consultations for all employees.

We liaised with local bodies, health agencies and healthcare providers to get employees vaccinated and facilitated 100% vaccination among employees.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

CMS has established adequate internal financial control systems to ensure reliable financial reporting and compliance in accordance with the applicable laws and regulations.

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

Internal control systems of the Company are also supplemented by extensive program of management internal audit team and external consultant.

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 and Internal Financial Control systems on an on-going basis.

DISCLOSURE OF ACCOUNTING TREATMENT

Standalone and Consolidated Financial Statements for the financial year 2021-2022 have been prepared in accordance with applicable Indian Accounting Standards (IND AS) as prescribed under Section 133 of the companies Act, 2013 read with Companies (Indian Accounting Standard) rules as amended from time to time.

KEY FINANCIAL RATIOS

Some of the key financial ratios for the financial year 2021-22 for the Company at a consolidated level are provided hereunder:

Key Ratios	2021-22	2020-21	2019-20	2018-19
Ratios - Financial Performance				
EBITDA/Revenue	25.3%	23.2%	18.4%	16.0%
Profit before tax/Revenue	19.0%	18.2%	14.1%	13.3%
Profit after tax /Revenue	14.1%	12.9%	9.7%	8.6%
Ratios - Growth				
Revenue	21.7%	-5.6%	20.7%	17.2%
EBITDA	32.8%	18.9%	39.0%	20.4%
Profit after tax	32.9%	25.1%	37.3%	22.4%
Ratios - Balance Sheet				
Debt - Equity ratio	-	-	-	-
Days sales outstanding (DSO days)	115	137	114	115
Current Ratio	2.2	1.9	2.0	2.5
Return on Net Worth (%)	20.0%	18.4%	16.9%	13.8%
Net Operating cash flow/EBITDA	63.9%	61.3%	84.2%	42.8%

- The Company had Zero debt during last 4 years resulting in nil debt equity ratio
- Increase in DSO days in FY 21 is on account of delay in collection and higher revenue in second half of the year on account of Covid pandemic.

COVID 19 pandemic. The has continued to maintain the harmonious Industrial Relations across all its offices/ establishments.

CMS (standalone) employed 453 personnel as on March 31, 2022.

We have been able to deliver improvement across all key financial metrics/ratios on account of more efficiency in operations and a higher share of value-added services.

AWARDS AND RECOGNITIONS

In September 2021, our CMS ALGO ATM security application won the Best in Future of Trust Award at IDC Future Enterprise Awards 2021, India. The Company also received two noteworthy certifications - CERT-IN for its Remote Monitoring and ISO 9001-2015 for its Software Development capabilities.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

CMS has been proactively engaging with employees and motivating them through the challenging period of the

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

Place: Mumbai
Date: May 9, 2022

Ashish Agrawal
Director

Rajiv Kaul
Executive Vice-chairman & CEO

Business Responsibility Report

This Business Responsibility Report (“BRR”) is aligned to the National Voluntary Guidelines (“NVGs”) on social, environmental and economic responsibilities of business, released by the Ministry of Corporate Affairs, Government of India. It is also in accordance with Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI Listing Regulations”), as amended from time to time. The report provides information on the Company’s initiatives from an environmental, social and governance perspective, in the format given under the SEBI Listing Regulations.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Corporate Identification Number (CIN) of the Company	L45200MH2008PLC180479
Name of the Company	CMS Info Systems Limited
Registered office address	T-151, 5 th Floor, Tower No. 10, Sector-11, Railway Station Complex, CBD Belapur, Navi Mumbai, Thane - 400 614, Maharashtra
Website	www.cms.com
E-mail id	investors@cms.com
Financial Year reported	April 1, 2021 to March 31, 2022
Sector(s) that the Company is engaged in (industrial activity code-wise)	82990-other business support services - Cash Management and Managed Business - Cards Personalisation Business
List three key services that the Company provides (as mentioned in balance sheet)	a) Cash Management Services b) Managed Services c) Cards Personalisation Services
Total number of locations where business activity is undertaken by the Company:	
Number of international location:	Nil
Number of National Location:	The Company has offices at presence across 15,000+ pin codes and 700+ districts across the country
Registered office -	The Company has its registered office in Navi Mumbai and corporate office in Mumbai
Markets served by the Company - Local/State/National/International	The Company serves National (India) market

* As per National Industrial Classification made by Ministry of Statistics & Programme Implementation

SECTION B: FINANCIAL DETAILS OF THE COMPANY

	₹ in Million	
	Standalone	Consolidated
Paid up Capital	1,531.53	1,531.53
Total Income	14,211.60	15,975.81
Total profit after taxes	2,134.68	2,240.38
Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company has spent ₹ 3,73,56,000/- which is more than 2% of last 3 years avg. Profit Before Tax on CSR activities i.e., ₹ 3,71,55,794/-	
List of activities in which expenditure as stated above has been incurred	a) Holistic Village Development b) Sustainability c) Education d) Healthcare e) Old Age/Disability Care	

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

Yes – the Company has 5 subsidiaries

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)?

Certain business responsibility initiatives in the area of ethics, transparency and accountability, sustainable use of resources and well-being of employees are being implemented in all the subsidiary companies. The subsidiaries of the Company are separate legal entities and follow BR initiatives as per rules and regulations as may be applicable to them.

3. Do any other entity/entities (e.g., suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

The Company encourages its suppliers/distributors to participate in the Company’s BR initiatives taken by the Company towards its business responsibility.

SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION

1. Details of Director/Directors responsible for BR

a) Details of the Director/Director responsible for implementation of the Business Responsibility policy/policies:

Sr. No.	Name	Designation
1	Rajiv Kaul	Executive Vice-chairman & CEO

b) Details of the Business Responsibility Head

DIN	02581313
Name	Rajiv Kaul
Designation	Executive Vice-chairman & CEO
Telephone Number	022-48897400
E-mail ID	investors@cms.com

2. Principle-wise (as per National Voluntary Guidelines [NVGs]) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGS) released by the Ministry of Corporate Affairs has adopted following nine areas of Business Responsibility:

- P1** - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- P2** - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- P3** - Businesses should promote the well-being of all employees.
- P4** - Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- P5** - Businesses should respect and promote human rights.
- P6** - Business should respect, protect and make efforts to restore the environment.
- P7** - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- P8** - Businesses should support inclusive growth and equitable development.
- P9** - Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance:

Principle-wise as per NVGS-BR policy/policies (reply in Y/N):

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Whether the Company has policies for each of the Principles?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	Whether policies have been formulated in consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Does the policy conform to any national international standards? If yes, specify?* (50 words)	The policies formulated by the Company are in compliance with all mandatory/applicable laws, rules, regulations, guidelines and standards.								
4.	Whether the policies have been approved by the Board? If yes, has it been signed by MD/ CEO/ any other Director?	Yes								
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6.	Indicate the link for the policy to be viewed online?	www.cms.com/company-information.php								
7.	Whether the policies have been formally communicated to all relevant internal and external stakeholders?	Yes, most of the policies are available on the Company's Website.								
8.	Does the Company has in-house structure to implement the policy/policies?	There is an in-house structure to implement the policies.								
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/policies?	Yes, the Company has established a hotline to facilitate reporting of any non-compliances. The Company also has a Stakeholders Relationship Committee to redress grievances of Investors. An Internal Committee has also been constituted at each establishments of the Company to investigate complaints of Sexual Harassment, if any.								
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The policies are evaluated internally from time to time and updated as and when required								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why:

Not Applicable

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3.	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4.	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5.	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6.	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

- The BR performance is reviewed annually by the Board of Directors.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

- This is the first Financial Year for the Company post listing with Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited. Going forward, the Company will publish the BRSR on annual basis as part of its annual report. The BR Report can be viewed on the website of the Company, www.cms.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

- Being a responsible corporate, the Company has put in place several policies to ensure highest standards of ethical conduct.
- The Company has a comprehensive Code of Conduct and Whistle-blower policy to set expectations, provide guidance and to set out a framework of regulation for all its employees
- The policy is applicable to all employees including company's affiliates and subsidiaries.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so?

- There were no complaints reported under whistle-blower policy during the year

Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company endeavors towards adopting measures to implement energy efficient equipment. Some of the initiatives undertaken by company are:

- The Company continuously undertakes decarbonisation of its vehicles to reduce carbon foot print. More than 60% of company's fleet were decarbonized in FY 22
- Introduction of vehicles conforming to latest emission norms** - All the new vehicles procured during FY 22 were in conformity to BS VI norms
- Shift from Diesel to CNG vehicles** - The Company is continuously increasing proportion of CNG vehicles over last few years
- Installation of LED lights in place of conventional fluorescent tube lights
- Installation of Inverter Air Conditioners in place of Standard Air Conditioners.

2. For each such product, provide the following details in respect of resource used (energy, water, raw material etc.) per unit of product (optional): Not applicable

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

- One of the major input for the Company is contractual employees. 100% of company's contractual employees are hired with full benefits such as ESIC, PF etc.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

- During the year the Company through its focus on responsible procurement practices has provided opportunities to MSME vendors thereby helping them to improve their capacity and capabilities
- There are 300+ MSME vendors registered with the Company.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.

- As explained in Principle 6, Para 4.

Principle 3: Business should promote the Well-Being of all Employees

1	Total number of employees	453 (on standalone basis)
2	Total number of employees hired on temporary/ contractual/ casual basis	15,150
3	Number of permanent women employees	49
4	Number of permanent employees with disabilities	Nil
5	Do you have an employee association that is recognized by management	Yes
6	What percentage of your permanent employees are members of this recognized employee association?	-5%

7. Details of the number of complaints relating to child labor, forced labor, involuntary labor, sexual harassment, are as follows:

Sr. No.	Category	No of complaints filed during the Financial Year	No of complaints pending as on end of the Financial year
01	Child Labor, Forced Labor, Involuntary Labor	Nil	Nil
02	Sexual Harassment	Nil	Nil
03	Discriminatory Employment	Nil	Nil

The Company has a governance structure in place to address the above complaints. There is an Internal Committee constituted by the Company to address the complaints relating to Sexual Harassment.

8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?

Category	Percentage (%)
a) Permanent Employees	25%
b) Permanent Women Employees	100%
c) Casual/ Temporary/ Contractual Employees	55%
d) Employees with Disabilities	NA

The Company strongly believes in building people capability, strengthening L&D practices and upskilling employees for talent readiness in every situation. The incessant learning interventions implemented all-round the year are a testimony to company's belief. Employee capability building is empowered through programs such as New Hire Orientation (NHO), Cash Foundation Program, MS Foundation Program at the junior level, Great Leaders' Program (GLP), Accelerated Leadership Program (ALP) at the leadership level, as well as a specific intervention in regular intervals to aid business needs

In addition to on-the job training, the Company also provide our employees with training in specific areas or specialized operations on a need basis. By focusing on talent development, the Company has provided growth opportunities to its employees, and about 65% of branch leaders have grown internally through the ranks

During the year company conducted various training programs covering the following aspects - Induction Program, Soft skill development, Leadership & Managerial Training, Mental Health Awareness, Information Security etc.

Principle 4: Business should respect the interest of and be responsible towards all Stakeholders, especially towards those who are disadvantaged, Vulnerable and Marginalized.

1. Has the Company mapped its internal and external stakeholders?

Yes.

2. Out of above, has the Company identified the disadvantaged, Vulnerable and Marginalized stakeholders.

The Company is in the process of identifying disadvantaged, vulnerable and marginalized stakeholders.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so?

Yes. As explained in Principle 8, Para 1 and 2.

Principle 5: Business should Respect and Promote Human Rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

The Company has a comprehensive code of conduct policy which sets forwards expectation from employees while dealing with co-employees, customers, suppliers and all other stakeholders. The policy is applicable to all employees of CMS Info Systems Limited (including contractual employees) and its subsidiaries and affiliates.

2. How many stakeholder complaints have been received in the past Financial Year and what percent was satisfactorily resolved by the management?

The Company has not received any complaint relating to human rights violation during FY 2021-22.

Principle 6: Business should Respect, Protect and make efforts to restore the Environment

1. Does the policy relate to Principle 6 cover only the Company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others?

The Policy related to this Principle extends to the Company and its Subsidiaries.

The Company has an Environment Policy which details out the responsibility towards environment. The Company encourages adoption of sustainability initiatives across all its stakeholders.

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? Y. If yes, please give hyperlink for webpage etc?

The Company endeavors towards adopting measures to mitigate the impact of climate change. Some of the initiatives undertaken by company are:

- The Company continuously undertakes decarbonisation of its vehicles to reduce carbon foot print. More than 60% of company's fleet were decarbonized in FY 22
- Introduction of vehicles conforming to latest emission norms** - All the new vehicles procured during FY 22 were in conformity to BS VI norms
- Shift from Diesel to CNG vehicles** - The Company is continuously increasing proportion of CNG vehicles over last few years
- Installation of LED lights in place of conventional fluorescent tube lights
- Installation of Inverter Air Conditioners in place of Standard Air Conditioners.

3. Does the Company identify and assess potential environmental risks?

The Company continuously identifies potential environmental risks and initiate remedial measures some of which are mentioned here.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

Yes, the Company has undertaken a project to reduce paper scrap by partnering with start-ups and also with community service organizations. Instead of selling the waste to scrap vendors, the Company got the same recycled through start-ups and community service organizations. They offered complete Paper Re-cycling Solution and recycled the waste to Xerox paper rims.

5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy etc.? If yes, please give hyperlink for web page etc.

Yes, please refer para 6.2 above

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB / SPCB for the Financial Year being reported?

Not Applicable

7. Number of show cause/legal notices received from CPCB / SPCB which are pending (i.e., not resolved to satisfaction) as on end of Financial Year.

There was no show cause/legal notice received during the year that remain outstanding as on March 31, 2022.

Principle 7: Business when engaged in influencing public and regulatory policy should do so in a responsible manner

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes, some of the major associations are:

- Cash Logistics Association (CLA)
- Confederation of ATM (CATMI)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; If yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes, the association mentioned above engage with various regulators from time to time for related matters.

Principle 8: Business should support Inclusive Growth and Equitable Development

1. Does the Company have specified programs/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company's network weaves across the country, from the various tiers of cities to the more rural

and remote small towns, connecting commerce and communities. As an extension of the nature of its business, company has focused its CSR efforts on directly or indirectly improving the livelihood of the underprivileged and poor communities through a variety of approaches, across different geographical locations.

2. Are the programs/ projects undertaken through in-house team/ own foundation/ external NGO/ government structures/ any other organization?

During last year the Company partnered with following CSR partners to achieve its vision of promoting inclusive growth

- Goonj - NEEV - Holistic approach involving education, agriculture, environment, water
- Manuvikasa - Rejuvenation of water bodies and water harvesting
- LeapForWord - Education and English literacy
- Project Chirag - Solar power and water independence
- The Hans Foundation - Healthcare to remote parts of the country
- Basic Healthcare Services - Primary healthcare for poor and tribal communities
- Bharatiya Gramin Vidyalaya - Virtual school for rural children

In addition to this the Company also give small grants to NGOs recognized by it's senior leadership team as organizations that are doing good work. The beneficiaries of these Charitable Contribution grants have ranged from old age and disability care to education and childcare, to medical camps and animal welfare

3. Have you done any impact assessment of your initiative?

The Company constantly monitors it's CSR activities through NGO / CSR partners.

4. What is your Company's direct contribution to community development projects-Amount in ₹ and the details of the projects undertaken.

The total expenditure made by company on various community development projects was ₹ 37.4 Million during FY 2021-22. Please refer to Principle 8 para 2 above for details of various projects.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

CSR initiatives are rolled out directly or in partnership with non-profit organisations. This helps in increasing reach as well as ensuring the adoption of initiative by communities. Company's Representatives track the reach and take necessary steps to make it successful. Further, the CSR projects are evaluated by the CSR Committee to ensure maximum impact of their initiatives.

Principle 9: Business should engage with and provide Value to their customers in a responsible manner

1. What percentage of customer complaints/ consumer cases are pending as on the end of Financial Year?

Nil. The business of the Company involves provision of service to other businesses and doesn't involve provision of services to individual consumers

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/ NA/ Remarks (additional information)

Not Applicable.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of Financial Year? If so, provide details thereof, in about 50 words or so.

No cases were filed by any stakeholders of the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years.

4. Did your Company carry out any consumer survey/consumer satisfaction trends?

Yes.

We interact with our clients on a regular basis to gain feedback on the quality of our services.

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

Ashish Agrawal
Director
DIN: 00163344

Rajiv Kaul
Executive Vice-chairman & CEO
DIN: 02581313

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 2022, 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 a summary of significant 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 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

DESCRIPTION OF KEY AUDIT MATTER

Revenue Recognition

The key audit matter	How the matter was addressed in our audit
<p>Revenue from operations for the year is Rs. 14,076.69 million (FY 21: Rs. 11,309.01 million). Refer Note 2 (h) of accounting policy and Note 19 and Note 43 in standalone financial statements.</p> <p>The Company's revenue is derived primarily from sale of products (ATMs, ATM sites and related products) which comprise of Rs. 1,946.60 million (FY 21: Rs. 2,305.85 million) and rendering of services i.e., ATM and cash management services, managed services, annual maintenance service, etc., which comprise of Rs. 12,130.10 million (FY 21: Rs. 9,003.16 million).</p> <p>We identified revenue recognition as a key audit matter since:</p> <ul style="list-style-type: none"> there is an element of inherent risk and presumed fraud risk around accuracy and existence of revenue recognised. overstatement of revenue is considered as a significant audit risk as it is a key performance indicator. It could create an incentive for higher revenue to be recognised at period end i.e., before the control of underlying goods and services have been transferred to the customer 	<p>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:</p> <ul style="list-style-type: none"> Assessing the appropriateness of the Company's accounting policies in respect of revenue recognition by comparing with applicable accounting standards. Evaluating the design and testing the implementation of internal financial controls and testing the operating effectiveness of internal controls for a randomly selected sample of transactions. Evaluating the design, implementation and operating effectiveness of Company's general IT controls, and application controls over the Company's IT systems. Performing substantive testing by comparing statistically selected samples of revenue transactions recorded during the year and matching the parameters used in the computation with the relevant source documents. Examining journal entries posted to revenue to identify unusual or irregular items based on certain high-risk criteria.

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 obtained by us 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.

The key audit matter	How the matter was addressed in our audit
<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Checking 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. Evaluating adequacy of disclosures given in Note 43 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 Company's annual report, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do 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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 judgments 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 in the Standalone Financial Statements 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 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.
 - 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 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) 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 Auditor's) 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 2022 on its financial position in its Standalone Financial Statements - Refer Note 32 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, 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 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 Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company 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.
- (iii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material misstatement.
- e) During the year, the Company has declared and paid interim dividend until the date of this audit report and is in accordance with section 123 of the Companies Act 2013. Further, as stated in note 50 to the standalone financial statements, the



Annexure A to the Independent Auditor's report - 31 March 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 declaration of dividend.

197 of the Act, except in 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

Koosai Lehera

Partner

Membership No: 112399

UDIN: 22112399AIQOFQ6415

(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/ payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section

Mumbai
09 May 2022

(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.

(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 discrepancies were noticed on such verification.

(c) The Company does not have any immovable property (other than the property where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). According, the requirements under 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 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, has been physically verified by the management during the year. 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 and financial institutions on the basis of security of current assets. In our opinion, the quarterly returns filed by the Company with such banks or financial institutions are in agreement with the books of accounts 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 made any investments, provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has granted an unsecured loan to a company, in respect of which the requisite information is as below. The Company has not granted any loans, secured or unsecured, to firms, limited liability partnerships and any other parties.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loan as below:

(₹ in millions)	
Particulars	Loans
Aggregate amount during the year ended 31 March 2022	
- Subsidiary (w.e.f 30 March 2022)*	143.86
- Others	-
Balance outstanding as at balance sheet date - 31 March 2022	
- Subsidiary (w.e.f 30 March 2022)*	143.86
- Others	-

* as per the Companies Act, 2013 ('the Act')

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of the unsecured loan are, prima facie, not prejudicial to the interest of the Company.



<p>(c) 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 stipulated schedule of repayment of principal and payment of interest in the case of unsecured loan given by the Company. It is therefore not possible for us to comment whether any amount is overdue in respect of the said loan. The Company has not given any advance in the nature of loan to any party during the year.</p> <p>(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 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. Further, the Company has not given any advances in the nature of loans to any party.</p> <p>(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not granted any loans, made any investments or provided any guarantee or security during the year to the parties covered under Section 185 of the Act. The Company has complied with the provisions for Section 186 of the Act in respect to loans granted, making investment and providing guarantees and securities, as applicable.</p> <p>(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 to the Company.</p> <p>(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 Companies Act, 2013 for the products manufactured by it (and/or) services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.</p> <p>(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 have been subsumed into Goods and Services Tax.</p>	<p>respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities.</p> <p>According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.</p> <p>Also refer note 32(c) to the standalone Ind AS financial statements.</p> <p>(b) According to the information and explanations given to us, statutory dues relating to Goods and Services 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 per Enclosure I to this Report.</p> <p>(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.</p> <p>(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.</p> <p>(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 willful defaulter by any bank or financial institution or government or government authority. Accordingly, clause 3(ix)(b) of the Order is not applicable</p> <p>(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in</p>	<p>during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.</p> <p>(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. Accordingly, clause 3(ix)(d) of the Order is not applicable.</p> <p>(e) According to the information and explanations given to us and on an overall examination of the 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 as defined under the Act. The Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended 31 March 2022.</p> <p>(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 (as defined under the Act). The Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended 31 March 2022.</p> <p>(x) (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any money by way of its initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the year. Accordingly, paragraph 3(ix)(a) of the Order is not applicable to the Company. Also, refer note 45 to the standalone financial statements</p> <p>(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 to the Company.</p> <p>(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</p>	<p>Company has been noticed or reported during the year except that we have been informed of eleven instances of cash embezzlements done by employees of the Company wherein the total amount involved was Rs. 159.59 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 Rs. 50.13 million and Rs. 31.30 million being doubtful of recovery has been written off during the year.</p> <p>(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.</p> <p>(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year</p> <p>(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 to the Company.</p> <p>(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 Companies Act, 2013, 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.</p> <p>(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.</p> <p>(b) We have considered the internal audit reports of the Company issued till date for the period under audit.</p> <p>(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 Companies Act, 2013 are not applicable to the Company.</p>
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- (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 to the Company.
- (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 to the Company.
- (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 to the Company.
- (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 to the Company.
- (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, other information accompanying the financial statements, 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 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.

- (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. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) In respect of ongoing projects, the Company has not unspent amount which is required to be transferred to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the Act. Accordingly, clause 3(xx)(b) of the Order is not applicable.

Mumbai
09 May 2022

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.101248W/W-100022

Koosai Leheri
Partner
Membership No: 112399
UDIN: 22112399A1QOFQ6415

ENCLOSURE I TO ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT - 31 MARCH 2022

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount under dispute	Amount paid under protest
Customs Act, 1962	Special additional duty	Supreme Court	2015-16	44.77	-
Customs Act, 1962	Customs Duty	Appellate Tribunal, Chennai	2016-17 to 2018-19 and 2019-20	45.13	4.17
Customs Act, 1962	Special additional duty	Appellate Tribunal, Chennai	2013-14	2.75	-
Bihar Value Added Tax, 2005	Value Added Tax	The Commissioner of Commercial Taxes, Patna, Bihar	2015-16	25.73	10.29
Gujarat Value Added Tax, 2003	Value Added Tax	Commercial Tax Officer, Gujarat	2013-14	40.66	2.50
Uttarakhand VAT Act, 2005	Value Added Tax	Appellate Authority	2014-15	1.72	0.69
Maharashtra VAT Act, 2002	Value Added Tax	Deputy Commissioner of State Tax	2015-16	0.60	0.06
Maharashtra VAT Act, 2002	Value Added Tax	Joint Commissioner of Sales Tax, Maharashtra	2016-17	0.11	0.006
Orissa Value Added Tax, 2004	Value Added Tax	Joint Commissioner of Sales Tax, Bhubaneswar Range	2010-11 to 2014-15	0.37	0.02
Orissa Value Added Tax, 2004	Value Added Tax	Joint Commissioner of Sales Tax, Bhubaneswar Range	2015-16	1.49	0.05
Orissa Value Added Tax, 2004	Value Added Tax	Joint Commissioner of Sales Tax, Bhubaneswar Range	2015-16	0.12	0.004
The Central Excise Act, 1944	Excise Duty	Appellate Tribunal	2013-14 to 2017-18	42.45	3.18
The Central Excise Act, 1944	Excise Duty	Appellate Tribunal	2015-16	26.58	1.99
Central Sales Tax Act, 1956	Central Sales Tax	Commercial Tax Officer, Gujarat	2013-14	0.55	-
Central Sales Tax Act, 1956	Central Sales Tax	Deputy Commissioner of State Tax	2015-16	0.20	0.20
Central Sales Tax Act, 1956	Central Sales Tax	Joint Commissioner of State Tax, Maharashtra	2016-17	1.05	0.10
Central Sales Tax Act, 1956	Central Sales Tax	Joint Commissioner of Sales Tax, Bhubaneswar Range	2010-11 to 2014-15	0.26	0.017
Bihar Goods and Service Tax Act, 2017	Goods and Service Tax	Office of the Appellate Authority, Patliputra, Central Bihar	2017-18	0.82	0.058
Finance Act, 1994	Service Tax	Commissioner of CGST	2014-15	7.05	-
Finance Act, 1994	Service Tax	Appellate Tribunal, Mumbai	2017-18	2.74	-
The Income Tax Act, 1961	Income Tax	CIT Appeals	AY 2017-18	50.47	41.92
The Income Tax Act, 1961	Income Tax	CIT Appeals	AY 2018-19	67.86	57.36

Annexure B to the Independent Auditors' report on the Standalone Financial Statements of CMS Info Systems Limited for the year ended 31 March 2022.

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 Companies Act, 2013

(Referred to in paragraph 2(A)(f) 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 2022 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 2022, 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 RESPONSIBILITY 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 Companies Act, 2013 (hereinafter referred to as "the Act").

AUDITORS' 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 whether 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 such internal financial controls, 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 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 authorisations 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
Koosai Leheri
Partner
Mumbai
09 May 2022
Membership No: 112399
UDIN: 22112399AIQOFQ6415

Standalone Balance Sheet

as at March 31, 2022

	Note No.	As at March 31, 2022	As at March 31, 2021
(₹ in million)			
Assets			
Non-current assets			
(a) Property, plant and equipment	4	3,233.41	1,804.02
(b) Capital work-in-progress	28	423.18	226.81
(c) Right-of-use assets	5(a)	1,783.51	1,181.22
(d) Goodwill	5	1,227.03	1,227.03
(e) Other intangible assets	5	128.38	189.51
(f) Intangible assets under development	28	1.02	4.66
(g) Financial assets			
(i) Investments	6(a)	1,882.48	1,854.43
(ii) Other financial assets	8	280.27	162.79
(h) Deferred tax assets (net)	9	177.47	134.81
(i) Income tax assets (net)		220.33	77.84
(j) Other non-current assets	10	210.03	146.11
Total non-current assets		9,567.11	7,009.22
Current assets			
(a) Inventories	11	629.27	894.73
(b) Financial assets			
(i) Investments	6(b)	780.74	953.27
(ii) Trade receivables	12	4,269.95	4,241.97
(iii) Cash and cash equivalents	13	396.74	1,030.44
(iv) Bank balances other than (iii) above	13	559.30	395.56
(v) Loans	7	143.86	-
(vi) Other financial assets	8	259.09	27.56
(c) Other current assets	10	1,007.88	762.29
Total current assets		8,046.83	8,305.82
Total		17,613.94	15,315.05
Equity and Liabilities			
Equity			
(a) Equity share capital	14(a)	1,531.53	1,480.00
(b) Other equity	14(b)	10,587.57	8,031.95
Total equity attributable to equity share holders		12,119.10	9,511.95
Liabilities			
Non-current Liabilities			
(a) Financial liabilities			
(i) Lease liabilities	16	1,458.24	924.67
(b) Provisions	17	24.79	31.70
(c) Other non-current liabilities	18	9.25	-
Total non-current liabilities		1,492.28	956.37
Current Liabilities			
(a) Financial liabilities			
(i) Lease liabilities	16	446.27	305.56
(ii) Trade payables			
Dues of micro enterprises and small enterprises	15	75.02	38.46
Dues to creditors other than micro enterprises and small enterprises	15	2,493.37	3,123.30
(iii) Other financial liabilities	16	773.76	1,143.66
(b) Provisions	17	8.07	6.45
(c) Other current liabilities	18	206.07	229.30
Total current liabilities		4,002.56	4,846.73
Total		17,613.94	15,315.05

Summary of significant accounting policies 2
The accompanying notes form an integral part of the financial statements. 4 to 57

As per our report of even date
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

**For and on behalf of the Board of Directors of
CMS Info Systems Limited**
CIN: L45200MH2008PLC180479

Koosai Leherly
Partner
Membership No.: 112399

Ashish Agrawal
Director
DIN No.: 00163344

Rajiv Kaul
Whole Time Director and Chief Executive Officer
DIN No.: 02581313

Place : Mumbai
09 May 2022

Pankaj Khandelwal
Chief Financial Officer
DIN No.: 05298431

Praveen Soni
Company Secretary
Membership No: FCS 6495

Standalone Statement of Profit and Loss

for the year ended March 31, 2022

	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
(₹ in million)			
Income			
Revenue from operations	19	14,076.69	11,309.01
Other income			
Finance income	20	27.05	60.03
Other	21	107.86	82.95
Total Income		14,211.60	11,451.99
Expenses			
Purchase of traded goods	22	1,360.86	2,069.54
Changes in inventories of finished goods (including stock in trade)	23	177.10	(273.06)
Employee benefits Expenses	24	729.82	750.36
Finance cost	25	140.75	76.60
Depreciation and amortisation expenses	4 & 5	875.83	580.52
Other expenses	26	8,078.04	6,142.02
Total Expenses		11,362.40	9,345.98
Profit before tax		2,849.20	2,106.01
Tax expense			
Current tax		757.20	575.00
Tax adjustment of earlier year		-	12.24
Deferred tax (credit)/charge		(42.68)	2.00
Total tax expense		714.52	589.24
Profit for the year attributable to equity shareholders		2,134.68	1,516.77
Other comprehensive income ('OCI')			
Items that will not be reclassified to profit or loss			
Remeasurement gains / (losses) on defined benefit plans		0.10	(1.05)
Income tax effect		(0.02)	0.27
Other comprehensive income for the year, net of tax		0.08	(0.78)
Total comprehensive income for the year		2,134.76	1,515.99
Earnings per equity share (nominal value of share ₹ 10)	27		
Basic		14.35	10.25
Diluted		13.66	9.98

Summary of significant accounting policies 2
The accompanying notes form an integral part of the financial statements. 4 to 57

As per our report of even date
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

**For and on behalf of the Board of Directors of
CMS Info Systems Limited**
CIN: L45200MH2008PLC180479

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Whole Time Director and Chief Executive Officer
DIN No.: 02581313

Place : Mumbai
09 May 2022

Pankaj Khandelwal
Chief Financial Officer
DIN No.: 05298431

Praveen Soni
Company Secretary
Membership No: FCS 6495

Standalone Statement of Cash flows

for the year ended March 31, 2022

	(₹ in million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flow from operating activities		
Profit before tax	2,849.20	2,106.01
Adjustments to reconcile profit before tax to net cash flow:		
Depreciation and amortisation on Property, plant and equipment and Intangible asset	551.14	372.43
Depreciation on Right-of-use assets	324.70	208.09
Unrealised foreign exchange gain	(1.52)	(3.32)
Bad debts written off	120.46	60.95
Debit balance written off	21.46	1.08
Impairment allowance for bad and doubtful receivables and deposits	488.41	146.00
(Profit)/Loss on disposal of property, plant and equipment (net)	(3.29)	0.10
Sundry credit balances written back	(7.36)	(40.46)
Impairment for doubtful claims receivables	7.78	-
Insurance claims receivables written off	13.96	0.79
Lease rent concessions	(1.73)	(20.07)
Finance income	(27.05)	(60.03)
Dividend Received	(78.18)	-
Profit on sale of current investments	(11.97)	(7.65)
Net change in fair value of current investments measured at FVTPL	(0.48)	(2.48)
Employee stock option compensation cost	61.19	19.42
Finance costs	140.75	76.59
Operating profit before working capital changes	4,447.47	2,857.47
Movement in working capital :		
(Decrease) / Increase in trade payables and other liabilities	(388.71)	266.98
(Decrease) / Increase in provisions	(5.20)	4.50
Decrease / (Increase) in inventories	265.46	(464.29)
(Increase) in trade receivables	(636.85)	(911.84)
(Increase) in other assets and prepayments	(590.81)	(189.04)
Cash flow generated from operations	3,091.36	1,563.79
Direct taxes paid (net of refunds)	(899.69)	(559.83)
Net cash flow from operating activities (A)	2,191.67	1,003.96
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	4.74	47.79
Purchase of property, plant and equipment, intangible assets (including CWIP and capital advances)	(2,773.27)	(548.59)
Investments in mutual funds	(7,202.63)	(3,189.90)
Proceeds from redemption of mutual funds	7,387.61	2,800.13
Loan given to subsidiary	(143.86)	(768.44)
Repayment of loan from subsidiary	-	992.41
Investment in deposits with banks	(603.64)	(1,788.33)
Proceeds from maturity of deposits with banks	408.64	1,556.68
Dividend received	78.18	-
Net cash flow (used in) investing activities (B)	(2,844.23)	(898.25)

Standalone Statement of Cash flows

for the year ended March 31, 2022

	(₹ in million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flows from financing activities		
Proceed from issue of equity shares	637.64	-
Dividend paid	(226.44)	(362.60)
Finance costs	-	(7.01)
Finance costs on lease liabilities	(140.75)	(69.58)
Payment of Principal portion of lease liabilities	(251.59)	(161.78)
Net cash flow from / (used in) financing activities (C)	18.86	(600.97)
Net (Decrease) in cash and cash equivalents (A+B+C)	(633.71)	(495.26)
Cash and cash equivalents at the beginning of the year	1,030.44	1,525.70
Cash and cash equivalents at the end of the year (refer note below)	396.74	1,030.44
Components of cash and cash equivalents:		
Cash on hand	5.24	3.70
In deposits account with original maturity of less than three months	-	397.86
Balances with banks		
On current accounts	391.50	628.88
Cash and cash equivalents at the end of the year (refer note 13)	396.74	1,030.44

The Standalone statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (IndAS 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

Koosai Lehery
Partner
Membership No.: 112399

Place : Mumbai
09 May 2022

**For and on behalf of the Board of Directors of
CMS Info Systems Limited**
CIN: L45200MH2008PLC180479

Ashish Agrawal
Director
DIN No.: 00163344

Pankaj Khandelwal
Chief Financial Officer
DIN No.: 05298431

Rajiv Kaul
Whole Time Director and Chief Executive Officer
DIN No.: 02581313

Praveen Soni
Company Secretary
Membership No: FCS 6495

Standalone Statement of Changes in Equity

for the year ended March 31, 2022

Particular	Equity share capital	Reserve and surplus				Total equity
		Securities premium	Share based payment reserve (refer note 39 & 40)	Capital redemption reserve	Retained earnings	
As at March 31, 2020	1,480.00	42.87	386.81	150.00	6,279.27	8,338.95
Profit for the year	-	-	-	-	1,516.77	1,516.77
Other comprehensive income	-	-	-	-	(0.78)	(0.78)
Total comprehensive income	-	-	-	-	1,515.99	1,515.99
Employee stock option compensation cost	-	-	19.61	-	-	19.61
Dividend Paid	-	-	-	-	362.60	362.60
As at March 31, 2021	1,480.00	42.87	406.42	150.00	7,432.66	9,511.95
Profit for the year	-	-	-	-	2,134.68	2,134.68
Other comprehensive income	-	-	-	-	0.08	0.08
Total comprehensive income	-	-	-	-	2,134.76	2,134.76
Equity shares issued during the year on exercise of stock options	51.53	-	-	-	-	51.53
Transfer on Securities premium on exercise of options	-	136.30	(136.30)	-	-	-
Securities premium on shares issued during the year	-	586.11	-	-	-	586.11
Employee stock option compensation cost	-	-	61.19	-	-	61.19
Dividend Paid	-	-	-	-	226.44	226.44
As at March 31, 2022	1,531.53	765.28	331.31	150.00	9,340.98	12,119.09

Summary of significant accounting policies (Refer Note 2)

The accompanying notes form an integral part of the financial statements. 4 to 57

As per our report of even date
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
CMS Info Systems Limited
CIN: L45200MH2008PLC180479

Koosai Leherly
Partner
Membership No.: 112399

Ashish Agrawal
Director
DIN No.: 00163344

Rajiv Kaul
Whole Time Director and Chief Executive Officer
DIN No.: 02581313

Place : Mumbai
09 May 2022

Pankaj Khandelwal
Chief Financial Officer
DIN No.: 05298431

Praveen Soni
Company Secretary
Membership No: FCS 6495

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(₹ in million)

1. CORPORATE INFORMATION

CMS Info Systems Limited (the 'Company') is a Company domiciled in India and was incorporated under the provisions of the Companies Act, 1956. The Company became a subsidiary of Sion Investment Holdings Pte. Limited with effect from August 27, 2015 pursuant to acquisition of 100% shares from BLACKSTONE FP CAPITAL PARTNERS (MAURITIUS) V LTD, CMS Computers Limited, Mr. Ramesh Grover and others (together known as 'erstwhile shareholders').

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 registered office of the Company is located at T-151, 5th Floor, Tower No.10, Sector 11, Railway station complex, CBD Belapur, Navi Mumbai 400614. The Company got listed on Bombay stock exchange (BSE) and National stock exchange (NSE) in India on December 31, 2021.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 09, 2022.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

These financial statements have been prepared in accordance with the IND AS (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 certain financial assets and liabilities that have been measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in Indian Rupees ('INR' or '₹') in million, which is also the Company's functional currency. The financial statements are prepared on a going concern basis.

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 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.

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

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

are recognised in the Standalone statement of Profit or 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 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	7*
Vehicles (used for ATM and Cash Management business)	6*
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 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.

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

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

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 recognising 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 recognized 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 April 1, 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 recognizes lease liabilities to make lease payments and right-of-use 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 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 assets includes the amount of lease liabilities recognized, 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 recognized 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

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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 or 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 fair value of the consideration received or receivable, 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 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.

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 recognized, in excess of billing is classified as unbilled revenue; while billing in excess of revenue is classified as unearned revenue.

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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 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) Interest income:

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 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 Statement of Profit and Loss.

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) Retirement and other employee benefits

Retirement benefit in the form of 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. The Company recognises contribution

payable to the provident fund and ESIC scheme as expenses, when an employee renders the related service.

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 to the net defined benefit liability or asset. 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.

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.

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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.

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 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.

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.

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.

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.

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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.

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 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 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

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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 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.

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

Debt instruments at amortised cost

A debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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 profit or 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 categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company 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 recognized in the Standalone Statement of Profit and Loss.

Equity investments

Investment in subsidiaries

Investment in subsidiaries is carried at cost in the 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

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obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

- the Company has transferred substantially all the risks and rewards of the asset, or
- the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

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 or 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 recognized 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 or 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

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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 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 recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income / 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

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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 01, 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 recognized directly in equity.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS:

The preparation of the Company's 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.

Significant judgement:

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 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

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

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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 the Company 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 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.

Provision for doubtful trade receivables

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 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.

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Recent pronouncement:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Amendment Rules,2022, applicable from April 1, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts -Cost of Fulfilling a Contract

The amendments specify that the fulfilling a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

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, 2020	653.21	50.78	245.74	1,365.44	19.88	98.54	328.41	2,762.01
Additions during the year	816.03	1.59	149.09	57.41	2.86	18.95	17.94	1,063.88
Deletions during the year	82.22	10.59	58.73	10.98	6.99	-	-	169.51
Gross block value as at March 31, 2021	1,387.02	41.78	336.10	1,411.87	15.75	117.49	346.35	3,656.37
Additions during the year	1,234.29	6.43	170.47	414.95	5.15	40.52	27.31	1,899.14
Deletions during the year	30.67	11.78	25.44	40.85	4.49	33.28	2.01	148.52
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
Accumulated depreciation as at March 31, 2020	255.02	38.36	123.85	922.65	15.83	53.39	276.83	1,685.93
Depreciation for the year	105.29	4.12	26.95	113.79	1.65	10.59	25.85	288.25
Accumulated depreciation on disposals	47.36	10.38	46.64	10.46	6.98	-	-	121.82
Accumulated depreciation as at March 31, 2021	312.95	32.10	104.16	1,025.98	10.50	63.98	302.68	1,852.36
Depreciation for the year	262.12	4.28	51.46	107.17	2.12	14.46	26.70	468.31
Accumulated depreciation on disposals	29.99	11.78	25.20	40.49	4.49	33.12	2.01	147.07
Accumulated depreciation as at March 31, 2022	545.08	24.60	130.42	1,092.66	8.13	45.33	327.37	2,173.60
Net block as at March 31, 2021	1,074.07	9.68	231.94	385.89	5.25	53.51	43.67	1,804.02
Net block as at March 31, 2022	2,045.56	11.83	350.71	693.31	8.28	79.40	44.28	3,233.41

Capital work in progress

Capital work-in-progress as at March 31, 2022 is ₹ 423.18 millions (March 31, 2021 ₹ 226.81 millions). Additions made to capital work-in-progress during the year amount to ₹ 419.07 millions (March 31, 2021 ₹ 226.81 millions).

Asset amounting to ₹ 222.70 millions (March 31, 2021 ₹ 28.01 millions) has been capitalised during the year. (refer note 28)

5 INTANGIBLE ASSETS

(₹ in million)					
Particulars	Computer software	Customer Contract	Non compete Fees	Total	Goodwill
Gross block value as at March 31, 2020	108.27	213.71	18.00	339.98	1,227.03
Additions during the year	17.42	73.13	-	90.55	-
Deletion during the year	-	-	-	-	-
Gross block value as at March 31, 2021	125.69	286.84	18.00	430.53	1,227.03
Additions during the year	21.72	-	-	21.72	-
Deletion during the year	-	-	-	-	-
Gross block value as at March 31, 2022	147.41	286.84	18.00	452.25	1,227.03
Accumulated amortisation as at March 31, 2020	76.58	74.51	5.75	156.84	-
Amortisation during the year	21.97	59.21	3.00	84.18	-

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

5 Intangible assets (Contd.)

(₹ in million)					
Particulars	Computer software	Customer Contract	Non compete Fees	Total	Goodwill
Deletion during the year	-	-	-	-	-
Accumulated amortisation as at March 31, 2021	98.55	133.72	8.75	241.02	-
Amortisation during the year	20.12	59.73	3.00	82.85	-
Deletion during the year	-	-	-	-	-
Accumulated amortisation as at March 31, 2022	118.67	193.45	11.75	323.87	-
Net block as at March 31, 2021	27.14	153.12	9.25	189.51	1,227.03
Net block as at March 31, 2022	28.74	93.39	6.25	128.38	1,227.03

Intangible assets under development

Intangible assets under development as at March 31, 2022 is ₹ 1.02 millions (March 31, 2021 ₹ 4.66 millions). Additions made to Intangible assets under development during the year amount to ₹ 0.45 millions (March 31, 2021 ₹ 4.04 millions).

Asset amounting to ₹ 4.10 millions (March 31, 2021 ₹ 9.84 millions) has been capitalised during the year. (refer note 28)

5(a) Right to Use Assets

(₹ in million)		
Particulars	Leasehold Property	Total
Gross block value as at March 31, 2020	989.39	989.39
Additions during the year	760.40	760.40
Deletion during the year	217.05	217.05
Gross block value as at March 31, 2021	1,532.73	1,532.73
Additions during the year	978.83	978.83
Deletion during the year	210.29	210.29
Gross block value as at March 31, 2022	2,301.27	2,301.27
Accumulated depreciation as at March 31, 2020	194.67	194.67
Depreciation charge for the year	208.09	208.09
Deletion during the year	51.25	51.25
Accumulated depreciation as at March 31, 2021	351.51	351.51
Depreciation charge for the year	324.67	324.67
Deletion during the year	158.41	158.41
Accumulated depreciation as at March 31, 2022	517.77	517.77
Net block as at March 31, 2021	1,181.22	1,181.22
Net block as at March 31, 2022	1,783.51	1,783.51

6 INVESTMENTS

(a) Non-current investments

(₹ in million)		
	As at March 31, 2022	As at March 31, 2021
Investments in equity shares of subsidiary companies (unquoted, fully paid up, valued at cost)		
950,000 (March 31, 2021 - 950,000) equity shares of ₹10 each of CMS Securitas Limited	28.51	28.51
132,500 (March 31, 2021 - 132,500) equity shares of ₹ 100 each of Securitrans India Private Limited	1,825.82	1,825.82
10,000 (March 31, 2021 - 10,000) equity shares of ₹ 10 each of Quality Logistics Services Private Limited	0.10	0.10
4,386,252 (March 31, 2021 - Nil) equity shares of ₹ 10 each of Hemabh Technologies Private Limited	28.05	-
	1,882.48	1,854.43

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

6 Investments (Contd.)

(b) Current investments in units of unquoted mutual fund (at fair value through profit and loss)

	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
20,419 Units SBI Magnum Ultra Short duration fund (March 31, 2021: Nil Units)	100.00	-
6,108,095 Units Kotak Savings fund (March 31, 2021: Nil Units)	220.08	-
105,910 Units Kotak Overnight fund (March 31, 2021: Nil Units)	120.08	-
Nil Units ICICI Prudential Liquid Fund (March 31, 2021: 328,174 Units)	-	100.01
1,484,750 Units ICICI Prudential Overnight Fund (March 31, 2021: 1,806,813 Units)	170.16	200.52
7,127,375 Units ICICI Prudential Ultra short term Fund (March 31, 2021: 10,570,596 Units)	170.42	241.83
Nil Units SBI liquid fund (March 31, 2021: 77,823 Units)	-	250.72
Nil Units SBI Overnight fund (March 31, 2021: 47,793 Units)	-	160.19
	780.74	953.27
Aggregate amount of unquoted investments	2,663.22	2,807.70

7 LOANS

	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Loans to subsidiary (refer note below)	143.86	-
	143.86	-

Note : Loans to subsidiary represents loan given to Hemabh Technology Private Limited (wholly owned subsidiary) for business needs which is repayable on demand.

8 OTHER FINANCIAL ASSETS

	(₹ in million)			
	Non - Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good				
Claims receivable	71.95	42.21	-	-
Accrued Interest	-	-	3.72	7.21
Margin money deposits [refer note (ii) below]	84.35	47.14	-	-
Advances to employees	-	-	8.86	20.35
Others [refer note (i) below]	-	-	246.51	-
Security deposits	123.97	73.44	-	-
	280.27	162.79	259.09	27.56
Unsecured, considered doubtful				
Sundry deposits	2.33	2.33	-	-
Claims receivable	55.87	72.20	-	-
	58.20	74.53	-	-
Less: Impairment allowance for doubtful assets	(58.20)	(74.53)	-	-
	280.27	162.79	259.09	27.56

Notes:

i) Represents IPO proceeds held in escrow account, to be utilised towards the settlement of IPO expenses.

ii) Margin money deposits given as security

Margin money deposits with carrying amount of ₹ 71.13 million (March 31, 2021 : ₹ 39.20 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 ₹ 13.22 million (March 31, 2021 - ₹ 7.95 million) are subject to first charge to secure the facilities for Vaulting and ATM operations.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

9 DEFERRED TAX ASSETS (NET)

	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Deferred tax assets		
Impairment allowance for bad and doubtful receivables	176.38	110.87
Impairment allowance for doubtful advances, claims receivable and deposits	14.65	18.76
Provision for employee benefits and bonus payable	22.12	22.54
Leases	30.28	12.33
	243.44	164.50
Deferred tax liabilities		
Depreciation	65.96	29.69
	65.96	29.69
Deferred tax assets (net)	177.47	134.81

Deferred tax reconciliation

	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Opening balance	134.81	136.57
Tax during the year recognised in Statement of Profit and Loss	42.68	(2.00)
Tax during the year recognised in other comprehensive income	(0.02)	0.27
Closing balance	177.47	134.81

Tax reconciliation

	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Profit before tax	2,849.20	2,106.01
At statutory income tax rate of 25.168% (March 31, 2021: 25.168%)	717.09	530.04
Effect of non-deductible items under tax laws	(2.57)	46.96
Adjustment of tax relating to earlier years	-	12.24
At the effective income tax rate of 25.08% (March 31, 2021: 27.46%)	714.52	589.24
Income tax expense reported in the Statement of Profit and Loss	714.52	589.24

10 OTHER ASSETS

	(₹ in million)			
	Non - Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good				
Advances recoverable in kind or for value to be received	-	-	241.15	128.28
Capital advances	128.19	75.59	-	-
Receivable from Government Authorities	47.66	47.66	271.08	134.50
Prepaid expenses	34.18	22.86	184.28	140.53
Unbilled Revenue (Contract assets) (Refer note 43)	-	-	311.37	358.98
	210.03	146.11	1,007.88	762.29

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

11 INVENTORIES

	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Valued at lower of cost and net realisable value		
Trading goods (refer note below)	279.38	456.48
Stores and spares	349.89	438.25
	629.27	894.73

Note:

Trading stock includes stock at ATM sites which are not installed as at March 31, 2022 amounting to ₹ 51.99 million (March 31, 2021 - ₹ 285.59 million).

12 TRADE RECEIVABLES

	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Secured and considered good	-	-
Unsecured and considered good		
Billed (Refer note 38)	2,724.29	2,941.43
Unbilled revenue (Refer note 38)	1,545.66	1,300.54
Credit impaired	700.80	440.77
	4,970.75	4,682.74
Less : Loss allowance	(700.80)	(440.77)
	4,269.95	4,241.97

13 CASH AND BANK BALANCES

Cash and cash equivalents

	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Balances with banks		
On current accounts	391.50	628.88
In deposits account with original maturity of less than three months	-	397.86
Cash on hand	5.24	3.70
	396.74	1,030.44
Bank Balances other than above		
Funds held relating to cash management activity [refer note (i) below]	47.35	69.57
In deposits account with original maturity for less than 12 months but more than three month	460.02	236.20
Margin money deposits [refer note (ii) below]	51.93	89.79
	559.30	395.56

i) Funds held relating to cash management activity represents the net funds invested by the Company in one of the services of 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 ₹ 32.54 million (March 31, 2021 : ₹ 66.25 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 ₹ 19.39 million (March 31, 2021 - ₹ 23.54 million) are subject to first charge to secure the facilities for Vaulting and ATM operations.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

14(A) EQUITY SHARE CAPITAL

	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Authorised share capital		
173,000,000 (March 31, 2021 - 173,000,000) equity shares of ₹ 10 each	1,730.00	1,730.00
1,500,000 (March 31, 2021 - 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:		
153,152,747 (March 31, 2021- 148,000,000) equity shares of ₹ 10 each	1,531.53	1,480.00

(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 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 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, 2022		As at March 31, 2021	
	No of Shares	% Shareholding	No of Shares	% Shareholding
Equity shares of ₹ 10 each fully paid up				
Sion Investment Holdings Pte. Limited*	9,70,74,075	63.38%	14,80,00,000	100.00%
WF Asian Reconnaissance Fund Limited	88,43,973	5.77%	-	-
SBI Small Cap Fund	82,86,487	5.41%	-	-
Total	11,42,04,535	74.56%	14,80,00,000	100.00%

* Includes six individual shareholders (registered shareholders), holding one share each as Nominees of Sion Investment Holdings Pte. Limited.

(iii) Shares held by promoter at the end the year

Name of the Promoters	No of Shares	% of Total shares	Changed during the year
Sion Investment Holdings Pte. Limited	9,70,74,075	63.38%	36.62%
Total	9,70,74,075	63.38%	36.62%

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.

(ii) Shares reserved for issue under options

For details of options allotted under employee stock option schemes, refer note 39.

(iii) During the year 2021-22, the Board has paid ₹ 226.44 million interim dividends. The first dividend was declared on May 4, 2021 at the rate of ₹ 0.62 per equity share (6.2% of the face value of ₹ 10 each) and second dividend was declared on October 19, 2021 at the rate of ₹ 0.91 per equity share (9.1% of the face value of ₹ 10 each). The dividend distribution tax on the said dividends is ₹ Nil as the Company has withheld 10% TDS on the Gross dividend and remittance is done net of withholding taxes. The withholding taxes are duly deposited with the Government."

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

14(B) OTHER EQUITY

A) Summary of Other Equity balance

	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
(i) Securities premium		
Opening balance	42.87	42.87
Add: Securities premium on shares (stock options) issued during the year	586.11	-
Add: Transfer to Securities premium on exercise of options	136.30	-
Closing balance	765.28	42.87
(ii) Share based payment reserve (refer note 39)		
Opening balance	406.42	386.81
Add : Employee stock option compensation cost during the year	61.19	19.61
Less: Transfer to Securities premium on exercise of options	(136.30)	-
Closing balance	331.31	406.42
(iii) Capital redemption reserve		
Opening balance	150.00	150.00
Closing balance	150.00	150.00
(iv) Retained earnings		
Opening balance	7,432.66	6,279.27
Add: Net profit after tax transferred from Statement of Profit and Loss	2,134.68	1,516.77
Less: Dividend Paid	226.44	362.60
Add : Other comprehensive income (net of tax)	0.08	(0.78)
Closing balance	9,340.98	7,432.66
Total	10,587.57	8,031.95

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 ₹ 136.30 million.
- (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, 2022	As at March 31, 2021
1. Dues of micro enterprises and small enterprises (refer note 33(a))	75.02	38.46
2. Dues of creditors other than micro enterprises and small enterprises (refer note 33(b))	1,428.48	2,126.38
Accrued expenses	1,064.89	996.92
	2,568.39	3,161.76

Notes

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16 OTHER FINANCIAL LIABILITIES AND LEASE LIABILITIES

	Non - Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Capital creditors	-	-	289.25	896.33
Payable to employees	-	-	207.35	214.95
Others	-	-	277.16	32.38
	-	-	773.76	1,143.66
Lease liabilities (refer note 30)	1,458.24	924.67	446.27	305.56
	1,458.24	924.67	446.27	305.56

17 PROVISIONS

	Non - Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits (refer note 29)				
For gratuity	5.56	10.12	0.79	0.68
For compensated absences	19.23	21.58	7.28	5.77
	24.79	31.70	8.07	6.45

18 OTHER LIABILITIES

	Non - Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Statutory liabilities (including provident fund, tax deducted at source and others)	-	-	159.13	83.14
Unearned revenue (Contract liability) (Refer note 43)	9.25	-	46.94	146.16
	9.25	-	206.07	229.30

19 REVENUE FROM OPERATIONS (REFER NOTE 43)

	(₹ in million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of ATM and ATM Sites	1,155.30	1,622.83
Sale of products	791.29	683.02
Sale of services	12,130.10	9,003.16
Revenue from operations	14,076.69	11,309.01
Details of products sold		
ATM Spares and related products	652.62	536.34
Cards	137.18	143.70
Others	1.48	2.98
	791.28	683.02
Details of services rendered		
ATM and Cash management services	10,332.02	7,231.82
AMC services	1,522.56	1,456.40
Card Personalisation	275.52	314.94
	12,130.10	9,003.16

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

20 FINANCE INCOME

	(₹ in million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income on		
Bank deposits	19.77	48.73
Loan to subsidiary	-	4.29
Security deposits measured at amortised cost	2.36	3.81
Custom Refund	1.72	-
Financial guarantee income	3.20	3.20
	27.05	60.03

21 OTHER

	(₹ in million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Sundry credit balances written back	7.36	40.46
Dividend Received	78.18	-
Profit on sale of property, plant and equipment (net)	3.29	-
Foreign exchange gain (net)	4.85	12.29
Profit on sale of current investments	11.97	7.65
Net change in fair value of current investments measured at FVTPL	0.48	2.48
Lease rent concessions	1.73	20.07
	107.86	82.95

22 PURCHASE OF TRADED GOODS

	(₹ in million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of traded goods	1,360.86	2,069.54
Details of purchases		
ATM and ATM Sites	737.32	1,534.26
ATM Spares and related products	518.33	416.84
Cards	105.21	118.44
	1,360.86	2,069.54

23 DECREASE / (INCREASE) IN INVENTORIES

	(₹ in million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the end of the year		
Traded goods	279.38	456.48
Inventories at the beginning of the year		
Traded goods	456.48	183.42
	177.10	(273.06)

Notes

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24 EMPLOYEE BENEFIT EXPENSE

	(₹ in million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and bonus	603.37	653.77
Contribution to provident and other funds (refer note 29)	27.78	36.34
Gratuity expense (refer note 29)	4.69	5.50
Share based payments to employees (refer note 39 and 40)	61.19	19.42
Staff welfare expenses	32.79	35.33
	729.82	750.36

25 FINANCE COSTS

	(₹ in million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on bank overdraft	-	4.95
Interest others	-	2.06
Interest on lease liability	140.75	69.58
	140.75	76.59

26 OTHER EXPENSES

	(₹ in million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Service and security charges	4,019.20	3,172.79
Conveyance and traveling expenses	629.75	465.24
Vehicle maintenance, hire and fuel cost	1,189.13	861.22
Consumption of stores and spares	263.87	224.04
Annual maintenance charges	340.34	225.87
Legal, professional and consultancy fees	185.23	157.84
Courier Freight and forwarding charges	133.41	137.12
Power and electricity charges	110.47	80.54
Insurance	142.50	169.45
Communication costs	51.46	33.79
Trade receivables written off	348.83	100.84
Less : Out of the provision of earlier years	(228.37)	(39.89)
Impairment allowance for bad and doubtful receivables and deposits	488.41	146.00
Cash disposal charges	139.22	156.01
Insurance Claims receivables written off	38.07	12.68
Less : Out of the provision of earlier years	(24.11)	(11.89)
Impairment allowance for doubtful insurance claims	7.78	-
Advances and other Debit balance written off	21.46	1.08
Cash lost in transit	65.65	75.09
Repairs and maintenance- Building	0.11	0.01
Repairs and maintenance- Plant and Machinery	0.10	0.35
Repairs and maintenance- Others	31.71	16.34
Loss on sale / write off of property, plant and equipment (net)	-	0.10
Payment to auditors :		
Audit fees	9.40	6.00
Reimbursement of expenses	0.03	0.18
In other matters	2.38	-
Expenditure on corporate social responsibility (refer note 35)	37.37	30.69
Miscellaneous expenses	74.64	120.54
	8,078.04	6,142.02

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

NOTE 27 : EARNINGS PER SHARE

The following reflects the profit and equity shares data used in the basic and diluted EPS computations:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Profit for the year attributable to equity shareholders (₹ in million)	2,134.68	1,516.77
Weighted average number of equity shares for Basic EPS	14,87,06,864	14,80,00,000
Weighted average number of equity shares on account of Employee stock option scheme for dilutive impact	76,20,024	39,14,481
Weighted average number of equity shares for diluted EPS	15,63,26,888	15,19,14,481
Earnings Per Share		
Basic (in ₹)	14.35	10.25
Diluted (in ₹)	13.66	9.98

NOTE 28 : CAPITAL WORK IN PROGRESS (INCLUDING INTANGIBLE ASSETS UNDER DEVELOPMENT)

The following reflects the Capital work in progress (including intangible assets under development) Movement during the years:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Opening CWIP as at	231.47	39.32
(+) Additions during the year	419.52	230.85
(-) Capitalised during the year	(226.79)	(38.70)
Closing CWIP as at	424.20	231.47

The following table represents CWIP ageing as at respective years:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Less than 1 year	419.99	230.85
1-2 Years	4.21	0.63
Total	424.20	231.47

represents projects in progress. There are no projects which have been temporarily suspended.

NOTE 29 : EMPLOYEE BENEFITS

Defined contribution plan

During the year ended March 31, 2022 and March 31, 2021 the Company contributed the following amounts to defined contribution plans:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Provident fund and Employees Family Pension Scheme	27.55	33.68
Employees' State Insurance Corporation	0.23	2.66
Total	27.78	36.34

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 actuarial valuation based on the latest employee data from the certified actuary valuer. Any deficit in the assets arising as a result of such valuations is funded by the Company.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 29 : Employee benefits (Contd.)

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 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 should result in an increase in liability without corresponding increase in the asset.

The following tables summaries the components of benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for the gratuity plan of the Company.

Statement of Profit and Loss- Net employee benefits expense (recognised in employee cost)

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Current service cost	4.39	4.88
Net interest cost	0.30	0.62
Expenses recognised in the Statement of Profit and Loss	4.69	5.50

Net employee benefits expense (recognised in Other comprehensive income)

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Actuarial losses / (gains)		
change in demographic assumptions	-	-
change in financial assumptions	(1.14)	0.61
experience variance (i.e. actual experience vs assumptions)	0.92	0.77
Return on plan assets, excluding amount recognized in net interest expense	0.13	(0.33)
Components of defined benefit cost recognised in other comprehensive income	(0.09)	1.05

Balance Sheet

Details of net benefit obligation and fair value of plan assets:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Present value of obligation	32.60	35.59
Fair value of plan asset	26.25	24.79
Net liability	6.35	10.80

Changes in present value of obligation

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Present value of obligation at the beginning	35.59	31.39
Current service cost	4.39	4.88
Interest expense	1.89	2.07
Re-measurement (gain) / loss arising from		
- change in demographic assumptions	-	-
- change in financial assumptions	(1.14)	0.61
- experience variance (i.e actual experience vs assumptions)	0.92	0.77
Benefits paid	(3.04)	(4.13)
Acquisition Adjustment	(6.01)	-
Present value of obligation at the end	32.60	35.59

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 29 : Employee benefits (Contd.)

Changes in the fair value of plan asset are as follows:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Fair value of plan assets at the beginning	24.80	22.96
Investment income	1.59	1.51
Employer's contribution	-	-
Benefits Paid	-	-
Re-measurement gain / (loss) arising from		
Return on plan assets, excluding amount recognised in net interest expense	(0.14)	0.32
Fair value of plan assets as at the end	26.25	24.80

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Investment with insurer	100%	100%

The Company expects to contribute ₹10.90 million (March 31, 2021 - ₹ Nil) 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, 2022	March 31, 2021
Weighted average duration (based on discounted cashflows)	8 years	9 years

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Company's expected cash flows over the future period (on undiscounted basis)		
1 year	4.04	2.52
2 to 5 years	13.58	12.91
6 to 10 years	13.06	15.41
More than 10 years	30.14	38.78

The principal assumptions used in determining gratuity benefit obligations for the Company's plan are shown below:

Particulars	March 31, 2022	March 31, 2021
Discount rate	6.85%	6.40%
Salary Growth rate	5%	5%
Employee Attrition rate		
- Less than 5 years of service	Upto 5 Year of service-25%	Upto 5 Year of service-25%
- 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 in account of 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.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 29 : Employee benefits (Contd.)

A quantitative sensitivity analysis for the significant assumptions on defined benefit obligation as at March 31, 2022 is as shown below:

Particulars	March 31, 2022		March 31, 2021	
	Decrease in assumption	Increase in assumption	Decrease in assumption	Increase in assumption
Discount Rate (-/+1%)	2.62	(2.30)	3.31	(2.87)
(% change compared to base due to sensitivity)	8.00%	-7.10%	9.30%	-8.10%
Salary Growth Rate (-/+1%) (Amount in ₹ million)	(2.00)	2.23	(2.53)	2.83
(% change compared to base due to sensitivity)	-6.10%	6.80%	-7.10%	8.00%
Attrition Rate (-/+ 50% of attrition rates) (Amount in ₹ million)	0.10	(0.17)	0.38	-0.46
(% change compared to base due to sensitivity)	0.30%	-0.50%	1.10%	-1.30%
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%

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 ₹ 8.13 million (March 31, 2021: ₹ 8.22 million) for Compensated absences is recognised as an expense and included in "Employee benefits" in the Statement of Profit and Loss. Accumulated non-current liability amount to ₹ 19.23 million (March 31, 2021: ₹ 21.58 million) and accumulated current liability amount to ₹ 7.28 million (March 31, 2021: ₹ 5.77 million).

NOTE 30 : LEASES

Operating lease

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, 2022 and March 31, 2021

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Current Lease Liabilities	446.27	305.56
Non-current Lease Liabilities	1,458.23	924.67
Total	1,904.50	1,230.23

The following is the movement in lease liabilities during the year ended March 31, 2022 and March 31, 2021

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Opening Balance	1,230.23	817.49
Additions	978.83	760.40
Finance cost accrued during the year	140.75	69.58
Deletions	(52.96)	(165.80)
Lease rent concession	-	(20.07)
Payment of lease liability	(392.34)	(231.37)
Closing Balance	1,904.50	1,230.23

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 30 : Leases (Contd.)

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022, on an undiscounted basis and March 31, 2021

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Less than one year	446.27	305.56
One to five years	1,551.83	1,019.57
More than five years	413.27	294.61
Total	2,411.37	1,619.74

The following is the movement in Right-of-use assets (which only consists of properties) as at March 31, 2022 and March 31, 2021

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Opening Balance	1,181.22	794.72
Additions during the year	978.83	760.40
Deletions during the year	(210.29)	(217.05)
Depreciation during the year	(166.26)	(156.85)
Closing Balance	1,783.50	1,181.22

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%.

The outflow on account of lease liabilities for the year ended March 31, 2022 is 392.34 million.

Company as lessor: lease receivables

The Company has entered into lease arrangement for its ATM management service business. The lease at inception is classified as operating lease. These leases have terms ranging between five and seven years. Future minimum rentals receivable under non-cancellable operating leases are, as follows:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Within one year	485.25	18.05
After one year but not more than five years	1,861.94	21.56
More than five years	694.44	-
Total	3,041.63	39.61

During the year, the Company has recognized ₹ 202.91 million (March 31, 2021 - ₹ 116.28 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 operating lease:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Gross block value as at 01 April	2,554.70	1,322.70
Less: Accumulated Depreciation	(445.41)	(184.38)
Net block value as at	2,109.29	1,138.32
Depreciation for the year (including Adjustments of accumulated depreciation on deletion)	260.87	86.69

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

NOTE 31 : 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
Parent of Holding Company	Baring Private Equity Asia VI Holdings Pte. Limited
Entites under common control	Vault Co-Investment Vehicle L.P.
Holding Company	Sion Investment Holdings Pte. Limited
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 (w.e.f March 30, 2022)
2) Key management personnel	Whole Time Director & Chief Executive Officer Mr. Rajiv Kaul (Whole Time Director & Chief Executive Officer) Chief Financial Officer Mr. Pankaj Khandelwal (Chief Financial Officer) Non-Executive Independent Director Ms. Shyamala Gopinath (upto December 31, 2021) Mr. Tapan Ray (w.e.f. April 09,2021) Mrs Manju Agarwal (w.e.f. Jan 01,2022) Mrs Sayali Karanjkar (w.e.f. Jan 01,2022) Mr. Krishna Mohan Sahani (w.e.f. April 01,2020 and upto March 31,2021) Non- Executive Directors Mr. Ashish Agrawal Mr. Krzysztof Wieslaw Jamroz (w.e.f. August 10,2021) Ms. Shyamala Gopinath (w.e.f. Jan 01,2022) Mr. Jimmy Lachmandas Mahtani Company Secretary Mr. Praveen Soni

(b) Summary of transactions with the above related parties are as follows:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Interest Income		
Securitrans India Private Limited	-	4.29
Guarantee Income		
Securitrans India Private Limited	3.20	3.20
Dividend Received		
Securitrans India Private Limited	78.18	-
Remuneration to KMP (short-term employee benefits)		
Mr. Rajiv Kaul	108.79	96.48
Mr. Pankaj Khandelwal	15.30	13.21
Remuneration to non - executive independent directors		
Ms. Shyamala Gopinath	2.10	2.10
Mr. Krzysztof Wieslaw Jamroz	1.40	-
Mr. Tapan Ray	2.10	-
Mrs. Sayali Karanjkar	0.53	-
Mrs. Manju Agarwal	0.53	-
Mr. Krishna Mohan Sahni	-	2.10

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 31 : Related Party Disclosures (Contd.)

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Employee stock option compensation cost		
Mr. Rajiv Kaul (refer note 40)	57.00	15.69
Mr. Pankaj Khandelwal	1.50	0.32
Sitting fees paid to Directors		
Mrs. Shyamala Gopinath	0.40	0.40
Mr. Tapan Ray	0.40	-
Mr. Krzysztof Wieslaw Jamroz	0.40	-
Mrs. Sayali Karanjkar	0.10	-
Mrs. Manju Agarwal	0.10	-
Mr. Krishna Mohan Sahni	-	0.40
Service charges		
CMS Marshall Limited	691.85	438.85
CMS Securitas Limited	266.62	274.17
Securitrans India Private Limited	107.68	124.74
Reimbursement of power and electricity and Maintenance		
CMS Securitas Limited	3.84	3.55
Reimbursement of Insurance Charges		
Securitrans India Private Limited	26.16	17.34
Reimbursement of Other Expenses		
Securitrans India Private Limited	406.60	366.07
Loans given during the year		
Securitrans India Private Limited	-	768.44
Hemabh Technology Private Limited	143.86	-
Loans received back during the year		
Securitrans India Private Limited	-	992.41
Security Deposit paid		
Hemabh Technology Private Limited	2.85	-
Investment in subsidiaries		
Investment in Hemabh Technology Private Limited	28.05	-

c) Summary of balance receivable from / (payable to) the above related parties are as follows:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Remuneration payable to KMP		
Mr. Rajiv Kaul	(51.15)	(34.89)
Mr. Pankaj Khandelwal	(3.10)	(2.78)
Remuneration to non - executive independent directors		
Mr. Tapan Ray	(2.10)	-
Mr. Krzysztof Wieslaw Jamroz	(1.40)	-
Mrs. Sayali Karanjkar	(0.53)	-
Mrs. Manju Agarwal	(0.53)	-
Mrs. Shyamala Gopinath	(0.53)	(0.53)
Sitting fees Payable to Directors		
Mrs. Shyamala Gopinath	(0.10)	-
Mrs. Sayali Karanjkar	(0.10)	-
Mrs. Manju Agarwal	(0.10)	-
Mr. Krzysztof Wieslaw Jamroz	(0.10)	-
IPO expenses recoverable		
Sion Investment Holdings Pte. Limited	246.51	-

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 31 : Related Party Disclosures (Contd.)

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Balances outstanding at the year end		
CMS Securitas Limited	(70.12)	(63.07)
CMS Marshall Limited	(120.44)	(83.97)
Hemabh Technology Private Limited	146.71	-
Securitrans India Private Limited	69.75	-

Notes:

- (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.

NOTE 32 : CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

a) Contingent liabilities:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Claims against the Company not acknowledged as debt		
a) Disputed Customs matters*	92.65	87.91
b) Disputed VAT matters*	70.26	247.77
c) Disputed Excise matters*	69.03	69.03
d) Disputed CST matters *	2.05	6.56
e) Disputed GST matters *	0.82	0.82
f) Disputed Service tax matters *	9.78	7.05
g) Disputed Income tax matter	118.33	118.33
Guarantees given by the Company on behalf of the subsidiary**	800.00	800.00
	1,162.92	1,337.47

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 this proceeding 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, 2021: ₹ 600 million) in favour of the lenders and ₹ 200 million (March 31, 2021: ₹ 200 million) in favour of one of the customers of subsidiary for overnight vaulting facilities.

b) Capital commitments:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for	980.54	548.27

- c) There has been a Supreme Court (SC) judgement dated 28th February 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, there are certain civil claims against the Company. The Management is confident, that these will not have any material impact in the financial statements.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

NOTE 33 : TRADE PAYABLES

a) Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

The Company has ₹ 75.02 million (March 31, 2021 ₹ 38.46 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.

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Total outstanding dues of micro enterprises and small enterprises (as per the intimation received from vendors)	75.02	38.46
a. Principal and interest amount remaining unpaid	-	-
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	-	-

MSME Ageing Schedule

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
MSME Undisputed Dues		
Less than 1 year	65.77	30.13
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	-	-
Total	65.76	30.13
MSME Disputed Dues		
Less than 1 year	-	-
1-2 Years	4.07	6.06
2-3 Years	3.59	1.64
More than 3 years	1.60	0.63
Total	9.26	8.33

b) Ageing of creditors other than micro enterprises and small enterprises

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Others - Undisputed		
Less than 1 year	2,320.03	3,037.98
1-2 Years	39.95	2.02
2-3 Years	64.73	18.36
More than 3 years	68.66	64.94
Total	2,493.37	3,123.30

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

NOTE 34 : 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:

- ₹ 1035.12 million (March 31, 2021: ₹ 1035.12 million), relates to the Cash Management division of the Company.
- ₹ 185.94 million (March 31, 2021: ₹ 185.94 million), relates to the acquisition of door step banking business from Checkmate Services Private Limited; also a part of Cash management business.

The Company performed its annual impairment test for years ended March 31, 2022 and March 31, 2021 respectively. The Company 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 a 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 Company has extrapolated cash flows beyond 5 years using a growth rate of 4% for the year ended March 31, 2022 (March 31, 2021: 4%). The pre-tax discount rate applied to the cash flow projections for impairment testing is 13.7% for March 31, 2022 (March 31, 2021: 13.7%)

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, 2022. 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.

NOTE 35 : EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

As per section 135 of the Act, a CSR committee has been formed by the Company. 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 Company during the year is ₹ 37.16 million (March 31, 2021 ₹ 29.35 million).

Amounts spent during the year :-	March 31, 2022			March 31, 2021		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
	(i) Construction / acquisition of any asset	-	-	-	-	-
(ii) On purpose other than (i) above	37.37	-	37.37	30.69	-	30.69

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

NOTE 36 : 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, 2022 and March 31, 2021 is:

Cuurrency Type	March 31, 2022		March 31, 2021	
	Amount in foreign currency	Amount in ₹ million	Amount in foreign currency	Amount in ₹ million
	USD	\$13,68,067.28	105.50	\$33,07,012.25
GBP	£ 2765.21	0.28	-	-

NOTE 37 : 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, 2022

Particulars	March 31, 2022				
	Cost	Fair value	Level 1	Level 2	Level 3
	Assets measured at fair value				
FVTPL financial investments					
Investment in unquoted mutual fund units	780.26	780.74	780.74	-	-

Quantitative disclosures fair value measurement hierarchy as at March 31, 2021

Particulars	March 31, 2021				
	Cost	Fair value	Level 1	Level 2	Level 3
	Assets measured at fair value				
FVTPL financial investments					
Investment in unquoted mutual fund units	950.78	953.27	953.27	-	-

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 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 year presented.

Break up of financial assets carried at amortised cost

Particulars	March 31, 2022		March 31, 2021	
	Amount in ₹ million	Amount in ₹ million	Amount in ₹ million	Amount in ₹ million
Trade receivables	2,724.29	2,941.43		
Unbilled revenue	1,545.66	1,300.54		
Cash and cash equivalents	396.74	1,030.44		
Other bank balances	559.30	395.56		
Other financial assets	539.36	190.36		
Total financial assets carried at amortised cost	5,765.35	5,858.33		

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 37 : Fair Value Hierarchy (Contd.)

Break up of financial liabilities carried at amortised cost

Particulars	March 31, 2022		March 31, 2021	
	Amount in ₹ million	Amount in ₹ million	Amount in ₹ million	Amount in ₹ million
Trade payables	2,568.39	3,161.76		
Lease liabilities	1,904.51	1,230.23		
Other financial liabilities	773.76	1,143.66		
Total financial liabilities carried at amortised cost	5,246.66	5,535.65		

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.

NOTE 38 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company through its operations is exposed to credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The senior management reviews and agrees policies for managing each of these risks, which are summarised below.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

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 Companyed 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 are 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:

Gross Carrying Amount

Undisputed Trade recievables -considered good

	March 31, 2022		March 31, 2021	
	Amount in ₹ million	Amount in ₹ million	Amount in ₹ million	Amount in ₹ million
Not due	683.01	821.14		
Less than 6 Months	1,733.37	1,627.28		
6 months - 1 year	326.33	282.92		
1-2 Years	87.30	276.64		
2-3 Years	45.31	54.46		
More than 3 years	-	11.17		
Unbilled Revenue	1,545.66	1,300.54		
Total	4,420.98	4,374.16		

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 38 : Financial risk management objectives and policies (Contd.)

Gross Carrying Amount

Undisputed Trade receivables -considered doubtful

	(₹ in million)	
	March 31, 2022	March 31, 2021
Less than 6 Months	-	-
6 months - 1 year	152.09	-
1-2 Years	169.30	199.53
2-3 Years	122.51	60.69
More than 3 years	13.40	9.51
Total	457.30	269.73

Gross Carrying Amount

Disputed Trade receivables -considered good

	(₹ in million)	
	March 31, 2022	March 31, 2021
Less than 6 Months	20.50	-
6 months - 1 year	31.26	-
1-2 Years	0.69	-
2-3 Years	0.02	-
More than 3 years	-	-
Total	52.47	-

Gross Carrying Amount

Disputed Trade receivables -considered Doubtful

	(₹ in million)	
	March 31, 2022	March 31, 2021
Less than 6 Months	-	-
6 months - 1 year	-	-
1-2 Years	-	26.00
2-3 Years	27.14	-
More than 3 years	12.86	12.86
Total	40.00	38.86

Movement in allowance of impairment in respect of trade receivables

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Opening Balance	440.77	334.66
Amounts written off (Net)	(228.37)	(39.89)
Net re-measurement of loss allowances	488.40	146.00
Closing Balance	700.80	440.77

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 ₹ 126.30 million as at March 31 2022, ₹ 75.77 million as at March 31 2021.

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.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 38 : Financial risk management objectives and policies (Contd.)

Movement in allowance of impairment in respect of other receivables (including insurance claims)

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Opening Balance	74.53	86.42
Amounts written off (Net)	(24.11)	(11.89)
Net re-measurement of loss allowances	7.78	-
Closing Balance	58.20	74.53

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 respective year end.

Particulars	(₹ in million)				
	March 31, 2022				
	On demand	Within 12 months	1 to 5 years	Above 5 years	Total
Trade and other payables	-	2,385.79	182.59	-	2,568.38
Lease liabilities	-	446.27	1,551.83	413.27	2,411.37
Other financial liabilities	-	773.76	-	-	773.76
Total	-	3,605.82	1,734.42	413.27	5,753.51

Particulars	(₹ in million)				
	March 31, 2021				
	On demand	Within 12 months	1 to 5 years	Above 5 years	Total
Trade and other payables	-	3,068.11	93.65	-	3,161.76
Lease liabilities	-	305.56	1,019.57	294.61	1,619.74
Other financial liabilities	-	1,143.66	-	-	1,143.66
Total	-	4,517.33	1,113.22	294.61	5,925.16

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

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 38 : Financial risk management objectives and policies (Contd.)

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, 2022. 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, 2022 and March 31, 2021.

NOTE 39 : 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 2016, CEO Stock Option Scheme 2016 and Management Scheme 2016. Following are details of the scheme:

Particulars	(₹ in million)		
	Employee Scheme	CEO Scheme	Management Scheme
Number of options reserved under the scheme	46,04,444	98,66,667	25,19,366
Number of option granted under the scheme	43,21,907	98,66,667	25,19,366

Following is the vesting period for grants during the year:

Vesting Period	(₹ in million)			
	Employee Scheme Time Based	Performance Based	CEO Scheme Time Based	Management Scheme Time Based
12 months from date of grant	25%	0.00%	100%	100%
21 months from date of grant	8.33%	16.67%	-	-
33 months from date of grant	8.33%	16.67%	-	-
45 months from date of grant	8.34%	16.66%	-	-

For options granted under Employee scheme, 21st month 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.

The vested options can be exercised by the employees only upon happening of liquidity event. The vested options can be exercised within 1 year of the date such options are vested in case of employee scheme and Management scheme within 2 years from date of such options vested in case of CEO scheme. 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, 2022			March 31, 2021	
	Employee scheme	CEO Scheme	Management scheme	Employee scheme	CEO Scheme
Outstanding at the beginning of the year	35,21,750	98,66,667	-	35,55,750	98,66,667
Granted during the year (no. of options)	12,00,400	-	25,19,366	-	-
Forfeited / cancelled during the year	(4,00,243)	-	-	(34,000)	-
Exercised during the year	(11,52,747)	(40,00,000)	-	-	-
Expired during the year	-	-	-	-	-
Outstanding at the end of the year	31,69,160	58,66,667	25,19,366	35,21,750	98,66,667
Weighted average exercise price of Option					
Outstanding at the beginning of the year	125	123	-	125	123
Granted during the year	165	-	165	-	-
Outstanding at the end of the year	140	123	165	125	123
Weighted average remaining contractual life (in years)	0.67	-	0.45	0.04	-

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 39 : Employee Stock Options Schemes (Contd.)

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, 2022	March 31, 2021
Dividend yield (%)	0%	0%
Expected volatility (%)	25% - 32%	25% - 29%
Risk-free interest rate (%)	4%	6%
Expected life of share options (years)	3.7 years	3.7 years
Weighted average fair value per share on grant date (in ₹)	165	143

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. Over the year's 1,053,493 (year ended March 31, 2022; 400243) 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 recognized in the profit and loss account aggregating to ₹11.41 million. The Company has recognized ₹ 57.50 million, (March 31, 2021 - ₹ 4.78 million) as employee benefit expense in relation to all the active options outstanding as at March 31, 2022.

NOTE 40 : AGREEMENT BETWEEN PROMOTER AND CEO

On September 26th, 2017, Vault Co-Investment Vehicle L.P. ("Vault L.P."), a limited liability partnership incorporated in the Cayman Islands and controlled by Barings Private Equity Asia GP VI Limited, the ultimate promoter of SION Investment Holdings Pte. Limited ("Sion"), the holding company, entered into an agreement with Chief Executive Officer of the Company (CEO) pursuant to which, the CEO was granted options under the stock option plan of Vault L.P. These options vested immediately to entitle base units in Vault L.P. to the extent of amount equivalent to 0.61% of the value of the Company for a consideration equivalent to such value of the Company as per the terms and conditions of the agreement. As per the plan, the base units are entitled for upward adjustment subject to fulfilment of certain market and service conditions.

Upon redemption of base or adjusted base units, CEO will receive from Vault L.P., an amount equivalent to value of the Company vis-vis such units at the time of sale of Sion's shareholding in the Company subject to certain conditions set out in the agreement.

Since the option granted to CEO is for the services rendered to the Company, the Option has been valued considering the various probable scenarios and using specific assumptions relating to expected volatility and risk free return. The total charge over the period of vesting estimated is ₹ 70.20 million. The proportionate charge recognized during the current period is ₹ 15.10 million (March 31, 2021: ₹ 15.69 million)

NOTE 41 : OPERATING SEGMENT

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 separate financial statement.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

NOTE 42 : 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, 2022	March 31, 2021
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 (w.e.f March 30, 2022)	India	100	0

The investments in the subsidiaries are accounted for at cost in the standalone financial statements.

NOTE 43 : 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.

Disaggregation of revenue from contract with customers

Revenue from sale of goods is recognized at point in time when control of the products being sold is transferred to our customer and Revenue from services is recognized 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 recognized with contracted price

Particulars	₹ in million	
	March 31, 2022	March 31, 2021
Revenue as per Contracted Price	14,179.64	11,536.23
Reduction (Rebate/discount)	(102.94)	(227.22)
Revenue recognized as per the statement of profit and loss	14,076.70	11,309.01

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.

Particulars	₹ in million	
	March 31, 2022	March 31, 2021
Opening Balance	146.16	209.21
i) Additions during the year (net)	56.19	99.17
ii) Reversal during the year	(46.99)	-
iii) Income recognized during the year	(99.17)	(162.22)
Closing Balance	56.19	146.16

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 43 : Ind AS 115 Revenue from Contracts with Customers (Contd.)

Revenue expected to be recognised in the future from Deferred Contract Liability:

Time Band	₹ in million	
	March 31, 2022	March 31, 2021
within 1 years	46.94	146.16
1 - 2 Year	9.25	-
Total	56.19	146.16

There is no obligation for returns, refunds and other similar obligation as at March 31, 2022 and March 31, 2021

NOTE 44 : IMPACT OF CORONA VIRUS OUTBREAK

In the short term, Company has adequate resources to sustain the impact of Covid-19. We do not foresee any material adverse impact in the medium to long term on the business. Based on our current assessment, no significant impact on carrying value on goodwill, inventory, trade receivables, intangible assets, investments and other financial assets is expected. The actual impact of global pandemic could be different from estimated, as the COVID scenario evolves in India. The Company will continue to closely monitor any material changes to future economic conditions.

NOTE 45 : INITIAL PUBLIC OFFERING

During the year ended March 31, 2022, the Company has completed its Initial Public offer ("IPO"), comprising of an offer for sale of 5,09,25,925 equity shares of face value ₹ 10 each at an issue price of ₹ 216 per share by existing shareholders. Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India (NSE) and BSE Limited (BSE) on December 31, 2021.

NOTE 46 : RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company does not have any transactions with companies struck off.

NOTE 47 : 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.

NOTE 48 : UNDISCLOSED INCOME

a) The Company has 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 Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

NOTE 49 : 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, 2022 and the year ended March 31, 2021 are in agreement with the books of accounts.

NOTE 50 : DIVIDEND

(a) 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 Companies Act 2013.

(b) The Board of Directors at its meeting held on May 9, 2022 recommended a Final Dividend of ₹ 1 per Equity share of ₹ 10 each for FY 2021-22. This Final dividend is subject to the approval of the Members at the ensuing Annual General Meeting which will be held on or before September 30, 2022.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

NOTE 51 : DISCLOSURE REQUIRED UNDER RULE 11(E) OF THE COMPANIES RULES, 2014

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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTE 52 : LOANS OR ADVANCES TO SPECIFIED PERSONS

The disclosure related to loan given to related parties repayable on demand is as under :

(₹ in million)		
Type of Borrower	Amount of loan on advances in the nature of loan outstanding	Percentage to the total loans and Advances in the nature of loans
Related Parties	143.86	100%

NOTE 53 : BUSINESS COMBINATION

During the year ended 31 March 2022, the Company has acquired 100% of the equity share capital of Hemabh Technology Private Limited for a consideration of ₹ 28.05 million. Assets taken over comprises of Property Plant and Equipment (₹ 115.49 million), Customer Contracts (₹ 44.70 million) and other assets (₹ 78.55 million) comprising ₹ 238.74 millions. Liabilities taken over comprises of borrowings (₹ 143.86 millions), trade payables (₹ 69.05 millions) and other liabilities (₹ 24.93 millions) amounting to ₹ 237.84 millions.

NOTE 54 :

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.

NOTE 55 : RATIO ANALYSIS

(₹ in million)						
Sr. No.	Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	% Variance
(a)	Current ratio (in times)					
	Current Ratio = Current Assets / Current Liabilities	8,046.83	4,002.56	2.01	1.71	17.31%
(b)	Return on Net Worth					
	Return on Net Worth = Profit after tax / Average Net Worth	2,134.68	10,815.52	20%	17%	16.14%
(c)	Inventory turnover (in times)					
	Inventory turnover = Income from operations / Average Inventory	14,076.69	762.00	18.47	17.07	8.23%
(d)	Trade Receivable turnover ratio (in times)					
	trade Receivable turnover = Income from operations / Average Trade Receivable	14,076.69	4,255.96	3.31	3.49	-5.26%
(e)	Trade Payable turnover ratio (in times)					
	Trade Payable turnover = Credit Purchase / Average Trade Payable	1,360.86	906.65	1.50	1.84	-18.35%
(f)	Net Capital Turnover Ratio					
	Net Capital turnover = Income from operations / Average Working Capital Employed (Current Assets - Current Liabilities)	14,076.69	4,044.27	3.48	3.27	6.46%

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 55 : Ratio Analysis (Contd.)

(₹ in million)						
Sr. No.	Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	% Variance
(g)	Net Profit margin (in %)					
	Net Profit margin = Profit after tax / Income from operations	2,134.68	14,076.69	15%	13%	13.07%
(h)	Return on Capital Employed					
	Return on Capital Employed = Earning before interest and taxes / Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	2,962.90	10,762.67	28%	26%	4.93%
(i)	Return on Investment					
	Return on Investment = Income generated from invested fund / Funds invested in treasury investments	32.22	857.70	4%	4%	-8.11%

NOTE 56 :

The Company has presented these standalone financial information (for all the periods presented there in) in accordance with the requirement of Schedule III - of the Companies Act , 2013 including amendments thereto, effective from April 01,2021.

NOTE 57 :

Previous year figures have been regrouped / reclassified, where necessary, to conform to this year classification.

As per our report of even date
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
CMS Info Systems Limited
CIN: L45200MH2008PLC180479

Kosai Lehera
Partner
Membership No.: 112399

Ashish Agrawal
Director
DIN No.: 00163344

Rajiv Kaul
Whole Time Director and Chief Executive Officer
DIN No.: 02581313

Place : Mumbai
09 May 2022

Pankaj Khandelwal
Chief Financial Officer
DIN No.: 05298431

Praveen Soni
Company Secretary
Membership No: FCS 6495

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 2022, 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 a Summary of significant 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 reports of 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 2022, of its Consolidated profit and Other comprehensive income, Consolidated

DESCRIPTION OF KEY AUDIT MATTER

Revenue recognition

The key audit matter	How the matter was addressed in our audit
<p>Revenue from operations for the year is Rs. 15,896.71 million (FY 21: Rs. 13,060.90 million). Refer Note 2 (i) of accounting policy and Note 18 and Note 42 in consolidated financial statements. The Group's revenue is derived primarily from sale of products (ATMs, ATM sites and related products) which comprise of Rs. 1,946.60 million (FY 21: Rs. 2,305.85 million) and rendering of services i.e., ATM and cash management services, managed services, annual maintenance service, etc., which comprise of Rs. 13,950.12 million (FY 21: Rs. 10,755.05 million). We identified revenue recognition as a key audit matter since:</p> <ul style="list-style-type: none"> there is an element of inherent risk and presumed fraud risk around accuracy and existence of revenue recognised. 	<p>In view of the significance of the matter, the following audit procedures were applied in this area, among others, to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> Assessing the appropriateness of the Group's accounting policies in respect of revenue recognition by comparing with applicable accounting standards. Evaluating the design and testing the implementation of internal financial controls and testing the operating effectiveness of internal controls for a randomly selected sample of transactions. Evaluating the design, implementation and operating effectiveness of Group's general IT controls, and application controls over the Group's IT systems. Performing substantive testing by comparing statistically selected samples of revenue transactions recorded during the year and matching the parameters used in the computation with the relevant source documents.

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 reports 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 reports of other auditors on separate 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.

The key audit matter	How the matter was addressed in our audit
<ul style="list-style-type: none"> overstatement of revenue is considered as a significant audit risk as it is a key performance indicator. It could create an incentive for higher revenue to be recognised at period end i.e., before the control of underlying goods and services have been transferred to the customer 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. 	<ul style="list-style-type: none"> Examining journal entries (using statistical sampling) posted to revenue to identify unusual or irregular items based on certain high-risk criteria. Checking 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. Evaluating adequacy of disclosures given in Note 42 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 Holding Company's annual report, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do 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 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. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S AND BOARD OF DIRECTORS' 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 included in the Group are

responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company 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 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 of the companies included in the Group are responsible for assessing the ability of each company 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 either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

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 Consolidated 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 audits 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 believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

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

- We did not audit the financial statements of six (6) subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs.20,130.14 million as at 31 March 2022, total revenues (before consolidation adjustments) of Rs.17,032.61 million and net cash outflows (before consolidation adjustments) amounting to Rs.442.92 for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports 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 reports 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 the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- 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.
- A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports 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:

- 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;
- 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;
- 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;
- In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act;
- On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 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 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India 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 Auditor's) 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 reports 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 2022 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 2022.
- 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 2022.
- d) (i) The management has represented that, to the best of its knowledge and belief, 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 its subsidiary companies incorporated in India to or 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 Holding Company or its subsidiary companies, associate companies and joint venture companies and joint operation companies and joint operation companies incorporated in India; or

- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies, associate companies and joint venture companies and joint operation companies incorporated in India 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 Parties; or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (iii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material misstatement.

e) The During the year the Holding Company has declared and paid interim dividend until the date of this audit report and is in accordance with section 123 of the Companies Act 2013. Further, as stated in note 51 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.

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 reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid/ payable 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 case of a

whole-time director of the Holding Company 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

Koosai Lehera
Partner

Mumbai
09 May 2022

Membership No: 112399
UDIN: 22112399AIQJB15742

Annexure A to the Independent Auditor’s report on the consolidated financial statements of CMS Info Systems Limited for the year ended 31 March 2022

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

(xxi) According to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have certain remarks included in their reports under Companies (Auditor’s Report) Order, 2020 (“CARO”), which have been reproduced as per the requirements of the Guidance Note on CARO:

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	CMS Info Systems Limited	L45200MH2008PLC180479	Holding Company	Clause (xi)
2	Securitrans India Private Limited	U74999DL1998PTC095012	Subsidiary Company	Clause (xi)

For **B S R & Co. LLP**
Chartered Accountants
Firm’s Registration No.101248W/W-100022

Kosai Lehera
Partner
Membership No: 112399
UDIN: 22112399AIQJB15742

Mumbai
09 May 2022

Annexure B to the Independent Auditors’ report on the Consolidated Financial Statements of CMS Info Systems Limited for the year ended 31 March 2022.

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 Companies Act, 2013

(Referred to in paragraph 2(A)(f) 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 the Company as of and for the year ended 31 March 22, we have audited the internal financial controls with reference to Consolidated Financial Statements of CMS Info Systems Limited (hereinafter referred to as “the Holding Company”) and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, 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 Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March 22, based on the internal financial controls with reference to Consolidated 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 RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the 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 Companies Act, 2013 (hereinafter referred to as “the Act”).

AUDITORS’ RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated 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 Consolidated 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 Consolidated 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 Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company’s internal financial controls with reference to Consolidated 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 Consolidated Financial Statements includes 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 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 CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to Consolidated 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 Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Consolidated 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 reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to six (6) subsidiary companies, which are companies incorporated in India, is based on the corresponding report of the auditors of such companies incorporated in India.

For **B S R & Co. LLP**
Chartered Accountants
Firm’s Registration No.101248W/W-100022

Kosai Lehera
Partner
Membership No: 112399
UDIN: 22112399AIQJB15742

Mumbai
09 May 2022

Consolidated Balance Sheet

as at March 31, 2022

	Notes	As at March 31, 2022	As at March 31, 2021
(₹ in million)			
Assets			
Non-current assets			
(a) Property, plant and equipment	4	3,469.71	1,897.00
(b) Capital work-in-progress	27	435.83	226.81
(c) Right-of-use assets	5(a)	1,799.99	1,210.79
(d) Goodwill	5	2,060.77	2,033.63
(e) Other intangible assets	5	173.09	189.54
(f) Intangible assets under development	27	1.02	4.66
(g) Financial assets			
(i) Investments	6(a)	0.08	0.08
(ii) Other financial assets	7	330.74	259.06
(h) Deferred tax assets (net)	8	304.40	247.83
(i) Income tax assets (net)		226.10	99.34
(j) Other non-current assets	9	210.03	146.11
Total non-current assets		9,011.76	6,314.85
Current assets			
(a) Inventories	10	634.82	894.73
(b) Financial assets			
(i) Investments	6(b)	1,235.02	1,122.55
(ii) Trade receivables	11	4,993.21	5,007.19
(iii) Cash and cash equivalents	12	643.47	1,335.14
(iv) Bank balances other than (iii) above	12	774.30	610.34
(v) Other financial assets	7	276.49	40.89
(c) Other current assets	9	987.89	792.41
Total current assets		9,545.20	9,803.25
Total		18,556.96	16,118.10
Equity and Liabilities			
Equity			
(a) Equity share capital	13(a)	1,531.53	1,480.00
(b) Other equity	13(b)	11,029.77	8,364.76
Total Equity attributable to Equity Share holders		12,561.30	9,844.76
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	15	1,467.61	945.38
(b) Provisions	16	201.04	191.01
(c) Other non current liabilities	17	9.25	-
Total Non-current liabilities		1,677.90	1,136.39
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	15	460.67	320.97
(ii) Trade Payables			
Dues of micro enterprises and small enterprises	14	79.81	45.27
Dues of creditors other than micro enterprises and small enterprises	14	2,378.99	3,016.28
(iii) Other Financial liabilities	15	1,066.03	1,410.45
(b) Provisions	16	35.75	29.22
(c) Other current liabilities	17	296.51	314.76
Total current liabilities		4,317.76	5,136.95
Total		18,556.96	16,118.10

Summary of significant accounting policies 2
 Summary of Significant accounting judgments, estimates and assumptions 3
 The accompanying notes form an integral part of the financial statements. 4-54

As per our report of even date
 For **B S R & Co. LLP**
 Chartered Accountants
 Firm's Registration No: 101248W/W-100022

Koosai Leherly
 Partner
 Membership No.: 112399

Place : Mumbai
 09 May 2022

Ashish Agrawal
 Director
 DIN No.: 00163344

Pankaj Khandelwal
 Chief Financial Officer
 DIN No.: 05298431

**For and on behalf of the Board of Directors of
 CMS Info Systems Limited**
 CIN: L45200MH2008PLC180479

Rajiv Kaul
 Whole Time Director and Chief Executive Officer
 DIN No.: 02581313

Praveen Soni
 Company Secretary
 Membership No: FCS 6495

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
(₹ in million)			
Income			
Revenue from operations	18	15,896.71	13,060.90
Other income			
Finance income	19	34.85	59.19
Other	20	44.25	99.12
Total Income		15,975.81	13,219.21
Expenses			
Purchase of traded goods	21	1,360.86	2,069.54
Changes in inventories of finished goods (including stock in trade)	22	177.10	(273.06)
Employee benefits expenses	23	2,315.45	2,015.84
Finance costs	24	143.90	82.32
Depreciation and amortization expenses	4,5 & 5(a)	918.43	634.55
Other expenses	25	8,045.62	6,312.52
Total Expenses		12,961.36	10,841.71
Profit before tax		3,014.45	2,377.50
Tax expense			
Current tax		838.42	654.46
Adjustment of tax relating to earlier years		(5.06)	11.90
Deferred tax charge / (credit)		(59.29)	25.91
Total tax expense		774.07	692.27
Profit for the year attributable to equity shareholders		2,240.38	1,685.23
Other comprehensive income ('OCI')			
Items that will not be reclassified to profit or loss			
Remeasurement gains / (losses) on defined benefit plans		4.82	(2.20)
Income tax effect		(1.05)	0.81
Other comprehensive income for the year, net of tax		3.77	(1.39)
Total comprehensive Income for the year		2,244.15	1,683.84
Earning per equity share (nominal value of share ₹ 10)	26		
Basic		15.07	11.39
Diluted		14.33	11.09

Summary of significant accounting policies 2
 Summary of Significant accounting judgments, estimates and assumptions 3
 The accompanying notes form an integral part of the financial statements 4-54

As per our report of even date
 For **B S R & Co. LLP**
 Chartered Accountants
 Firm's Registration No: 101248W/W-100022

Koosai Leherly
 Partner
 Membership No.: 112399

Place : Mumbai
 09 May 2022

Ashish Agrawal
 Director
 DIN No.: 00163344

Pankaj Khandelwal
 Chief Financial Officer
 DIN No.: 05298431

**For and on behalf of the Board of Directors of
 CMS Info Systems Limited**
 CIN: L45200MH2008PLC180479

Rajiv Kaul
 Whole Time Director and Chief Executive Officer
 DIN No.: 02581313

Praveen Soni
 Company Secretary
 Membership No: FCS 6495



Consolidated Statement of Cash flows

for the year ended March 31, 2022

	(₹ in million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flow from operating activities		
Profit before tax	3,014.45	2,377.50
Adjustments to reconcile profit before tax to net cash flow:		
Depreciation and amortisation on Property, plant and equipment and Intangible asset	580.55	412.97
Depreciation on Right-of-use assets	337.88	221.58
Unrealised foreign exchange (gain) / loss	(1.04)	(3.32)
Lease rent concession	(1.73)	(20.07)
Impairment allowance for bad and doubtful receivables and deposits	595.13	206.00
Bad debts written off	204.41	222.78
Debit balance written off	21.46	1.08
(Profit) on disposal of property, plant and equipment (net)	(5.38)	(1.40)
Sundry balances written back	(7.80)	(52.76)
Impairment for doubtful claims receivables	7.78	-
Insurance claims receivables written off	13.96	0.79
Finance income	(33.13)	(53.06)
Profit on sale of current investments	(20.58)	(7.65)
Net change in fair value of current investments measured at FVTPL	(4.12)	(3.91)
Employee stock option compensation cost	61.19	19.61
Finance costs	143.90	82.32
Operating profit before working capital changes	4,906.93	3,402.46
Movement in working capital :		
(Decrease) / Increase in trade payables and other liabilities	(421.03)	282.54
Increase in provisions	21.37	0.35
Decrease / (Increase) in inventories	265.45	(464.29)
(Increase) in trade receivables	(724.27)	(949.82)
(Increase) / Decrease in other assets and prepayments	(507.51)	152.34
Cash flow generated from operations	3,540.94	2,423.58
Direct taxes paid (net of refunds)	(975.82)	(569.16)
Net cash flow generated from operating activities (A)	2,565.12	1,854.42
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	7.04	49.09
Purchase of property, plant and equipment, Intangible assets (including CWIP and capital advances)	(2,839.67)	(550.86)
Investment in mutual funds	(8,304.68)	(3,356.82)
Proceeds from redemption of mutual funds	8,217.41	2,812.05
Loan given to Others	(143.86)	-
Investment in deposits with banks	(844.53)	(2,521.90)
Proceeds from maturity of deposits with banks (including interest)	645.81	2,075.05
Net cash flow (used in) investing activities (B)	(3,262.48)	(1,493.39)
Cash flows from financing activities		
Proceeds from issue of equity shares	637.64	-
Dividend paid	(226.44)	(362.60)
Finance costs	(0.08)	(8.88)
Finance costs on lease liability	(143.82)	(73.44)
Payment of principal portion of lease liabilities	(261.61)	(172.25)

Consolidated Statement of Cash flows

for the year ended March 31, 2022

	(₹ in million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Net cash flow generated / (used in) financing activities (C)	5.69	(617.19)
Net Decrease in cash and cash equivalents (A+B+C)	(691.67)	(256.16)
Cash and cash equivalents at the beginning of the year	1,335.14	1,591.30
Cash and cash equivalents at the end of the year (Refer note 12)	643.47	1,335.14
Components of cash and cash equivalents:		
Cash on hand	6.66	6.94
Balances with bank		
Balance with current accounts	636.81	927.98
In deposits account with original maturity of less than three months	-	400.22
Cash and cash equivalents at the end of the year (Refer note 12)	643.47	1,335.14

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 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

For and on behalf of the Board of Directors of**CMS Info Systems Limited**

CIN: L45200MH2008PLC180479

Koosai Lehery

Partner

Membership No.: 112399

Ashish Agrawal

Director

DIN No.: 00163344

Rajiv Kaul

Whole Time Director and Chief Executive Officer

DIN No.: 02581313

Place : Mumbai
09 May 2022**Pankaj Khandelwal**

Chief Financial Officer

DIN No.: 05298431

Praveen Soni

Company Secretary

Membership No: FCS 6495

Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

Particular	Equity share capital	Reserve and surplus				Total equity
		Securities premium	Share based payment reserve (refer note 39 & 40)	Capital redemption reserve	Retained earnings	
As at March 31, 2020	1,480.00	42.87	386.82	150.50	6,443.72	8,503.91
Profit for the year	-	-	-	-	1,685.23	1,685.23
Other comprehensive income	-	-	-	-	(1.39)	(1.39)
Total comprehensive income	-	-	-	-	1,683.84	1,683.84
Employee stock option compensation cost	-	-	19.61	-	-	19.61
Dividend Paid	-	-	-	-	362.60	362.60
As at March 31, 2021	1,480.00	42.87	406.43	150.50	7,764.96	9,844.76
Profit for the year	-	-	-	-	2,240.38	2,240.38
Other comprehensive income	-	-	-	-	3.77	3.77
Total comprehensive income	-	-	-	-	2,244.15	2,244.16
Equity shares issued during the year on exercise of stock options	51.53	-	-	-	-	51.53
Transfer to securities premium on options exercised	-	136.30	(136.30)	-	-	-
Securities premium on shares issued during the year	-	586.11	-	-	-	586.11
Employee stock option compensation cost	-	-	61.19	-	-	61.19
Dividend Paid	-	-	-	-	226.44	226.44
As at March 31, 2022	1,531.53	765.28	331.32	150.50	9,782.67	12,561.30

Summary of significant 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 financial statements. (Refer note 4-54)

As per our report of even date
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
CMS Info Systems Limited
CIN: L45200MH2008PLC180479

Koosai Leher
Partner
Membership No.: 112399

Ashish Agrawal
Director
DIN No.: 00163344

Rajiv Kaul
Whole Time Director and Chief Executive Officer
DIN No.: 02581313

Place : Mumbai
09 May 2022

Pankaj Khandelwal
Chief Financial Officer
DIN No.: 05298431

Praveen Soni
Company Secretary
Membership No: FCS 6495

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

1. CORPORATE INFORMATION:

CMS Info Systems Limited (the 'Company' or the 'Holding Company' or the 'Parent') is a Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company became subsidiary of Sion Investment Holdings Pte. Limited (with effect from August 27, 2015), the ultimate Holding Company is Baring Private Equity Asia GP VI Limited pursuant to acquisition of 100% shares from BLACKSTONE FP CAPITAL PARTNERS (MAURITIUS) V LTD, CMS Computers Limited, Mr. Ramesh Grover and others (together known as 'erstwhile shareholders').

The Company 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 registered office of the Company is located at T-151, 5th Floor, Tower No.10, Sector 11, Railway station complex, CBD Belapur, Navi Mumbai 400614. The holding company got listed on Bombay stock exchange (BSE) and National stock exchange (NSE) in India on 31st December 2021.

The consolidated financial statements ('CFS') were authorised for issue in accordance with a resolution of the directors on May 09, 2022.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Preparation

The Group's 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 Companies (Indian Accounting Standard) rules as amended from time to time. The CFS have been prepared under the historical cost basis except for certain financial assets and liabilities that have been measured at fair value (refer accounting policy regarding financial instruments).

The CFS are presented in Indian Rupees ('INR' or '₹') in million, which is also the Group's functional currency. The CFS are prepared on a going concern basis.

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, 2022.

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	
		March 31, 2022	March 31, 2021
1	Securitrans India Private Limited ('SIPL')	100	100
2	CMS Securitas Limited ('CSL')	100	100
3	CMS Marshall Limited ('CML')	100	100

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Sr. No	Name of entities*	Percentage of ownership interest as at	
		March 31, 2022	March 31, 2021
4	Quality Logistics Services Private Limited	100	100
5	Hemabh Technology Private Limited	100	-
6	CMS Securitas Employees Welfare Trust ('CMS Trust')	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, 2022

Consolidation procedures:

- (i) Combine like 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 recognized 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 AS12 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.

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 Statement of Profit or 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

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

in the Statement of Profit and Loss when the asset is derecognised.

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 used the following lives to provide depreciation:

Category	(in years)	
	Useful lives	
Plant and machinery	7*	
Electric installations	5*	
Furniture, fixtures and fittings	7*	
Vehicles (used for ATM and Cash Management business)	6*	
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 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 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 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 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

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

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 recognized 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 the modified retrospective method of adoption with the date of initial application of April 1, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognized 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 to 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 assets includes the amount of lease liabilities recognized, 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 recognized 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.

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

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.

Company 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 terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

h) 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.

i) Revenue recognition

Revenue is measured at fair value of the consideration received or receivable, 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 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.

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 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.

Revenue recognized, in excess of billing is classified as unbilled revenue; while billing in excess of revenue is classified as unearned revenue.

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.

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

j) Interest income:

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 or to the amortised 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 statement of profit and loss.

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) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as expenses, when an employee renders the related service.

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 company to fund the gratuity liability. Under this scheme, the obligation to pay gratuity remains with the Group, although insurance company administers the scheme.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the 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 Statement of Profit and Loss in subsequent periods.

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 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.

Remeasurement, 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

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

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.

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 liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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 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.

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 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.

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

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

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.

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 Statement of Profit and Loss.

s) Fair value measurement

The Group measures 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 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, maximizing the use of relevant observable inputs and minimizing 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 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

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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.

Financial assets are subsequent 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

Debt instruments at amortised cost

A debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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 profit or loss. The losses arising from impairment are recognised in the profit or 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 categorization 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 recognized in the Statement of Profit and Loss.

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
 - the Group has transferred substantially all the risks and rewards of the asset, or
 - 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

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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 recognises 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.

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 profit or 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 recognized in OCI. These gains/ loss are not subsequently transferred to 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

statement of profit or loss. The Group has not designated any financial liability as at fair value through 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 profit or 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 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 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 statement of profit or 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.

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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 claim 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 recognising impairment loss allowance based on 12-month ECL.

Impairment of financial assets

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the 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 analysed.

u) 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 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-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. 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.

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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.

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 Company 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 Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS:

The preparation of the Group's 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.

Significant judgement:

Leases

The application of Ind AS 116 requires group to make judgements 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.

Significant judgement:

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

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.

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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.

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 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 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.

Provision for doubtful receivables

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) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 103 - Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 - Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

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Ind AS 37 – Onerous Contracts -Cost of Fulfilling a Contract

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

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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, 2020	673.10	54.15	252.71	2,046.02	85.91	133.66	363.85	3,609.40
Additions during the year	816.93	1.59	149.09	58.26	4.39	18.95	17.94	1,067.15
Deletions during the year	82.22	10.59	58.73	49.66	6.99	-	0.04	208.23
Gross block value as at March 31, 2021	1,407.81	45.15	343.07	2,054.62	83.31	152.61	381.75	4,468.32
Additions during the year	1,241.42	6.43	170.47	464.86	5.31	40.85	27.31	1,956.65
Acquisition through Business Combination (Refer note 43)	177.69	-	-	-	0.04	-	4.77	182.50
Deletions during the year	31.68	11.78	25.44	69.95	4.56	33.28	2.01	178.70
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
Accumulated depreciation as at March 31, 2020	273.87	41.73	129.10	1,514.77	69.19	64.90	309.71	2,403.27
Depreciation for the year	105.97	4.12	27.43	143.99	7.14	11.93	28.00	328.58
Accumulated depreciation on disposals	47.36	10.38	46.64	49.14	6.98	-	0.03	160.53
Accumulated depreciation as at March 31, 2021	332.48	35.47	109.89	1,609.62	69.35	76.83	337.68	2,571.32
Depreciation for the year	262.91	4.28	51.83	128.76	7.14	15.72	27.05	497.69
Accumulated depreciation through Business Combination (Refer note 43)	64.11	-	-	-	-	-	2.90	67.00
Accumulated depreciation on disposals	30.91	11.78	25.20	69.38	4.56	33.12	2.01	176.96
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
Net block as at March 31,2022	2,166.65	11.83	351.58	780.53	12.18	100.75	46.20	3,469.71
Net block as at March 31,2021	1,075.33	9.68	233.18	445.00	13.96	75.78	44.07	1,897.00

Capital work in progress at March 31,2022 is ₹ 435.83 million (March 31,2021 is ₹ 226.81 million). Additions made to the capital work in progress during the year amount to ₹ 431.73 million (March 31,2021 ₹ 226.81 million). Assets amounting to ₹ 222.70 million (March 31,2021 ₹ 28.01 million) has been capitalised during the year. (Refer note 27)

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5 INTANGIBLE ASSETS

Particulars	(₹ in million)				
	Computer software	Non compete fees	Customer Contract	Total	Goodwill
Gross block value as at March 31, 2020	118.69	168.10	221.58	508.37	2,033.63
Additions during the year	17.44	-	73.13	90.57	-
Gross block value as at March 31, 2021	136.13	168.10	294.71	598.94	2,033.63
Additions during the year	21.72	-	-	21.72	27.14
Acquisition through Business Combination (Refer note 43)	0.32	-	47.78	48.10	-
Gross block value as at March 31, 2022	158.17	168.10	342.49	668.76	2,060.77
Accumulated amortisation as at March 31, 2020	86.78	156.20	82.03	325.01	-
Amortisation for the year	22.18	3.00	59.21	84.39	-
Accumulated amortisation as at March 31, 2021	108.96	159.20	141.24	409.40	-
Amortisation for the year	20.15	3.00	59.73	82.88	-
Amortisation throught Business Combination (Refer Note 43)	0.12	-	3.27	3.40	-
Accumulated amortisation as at March 31, 2022	129.23	162.20	204.24	495.67	-
Net block as at March 31,2022	28.94	5.90	138.25	173.09	2,060.77
Net block as at March 31,2021	27.17	8.90	153.47	189.54	2,033.63

Intangible assets under development as at 31 March 2022 is ₹ 1.02 millions (31 March 2021 ₹ 4.66 millions). Additions made to intangible assets under development during the year amount to ₹ 0.45 millions (31 March 2021 ₹ 4.04 millions). Asset amounting to ₹ 4.10 millions (31 March 2021 ₹ 9.84 millions) has been capitalised during the year. (Refer note 27).

5(a)Right-of- use assets

Particulars	(₹ in million)	
	Lease property	Total
Gross block value as at March 31, 2020	1,047.02	1,047.02
Additions during the year	760.40	760.40
Deletion during the year	218.14	218.14
Gross block value as at March 31, 2021	1,589.28	1,589.28
Additions during the year	978.83	978.83
Deletion during the year	210.29	210.29
Gross block value as at March 31, 2022	2,357.82	2,357.82
Accumulated depreciation as at March 31, 2020	208.43	208.43
Depreciation charge for the year	221.58	221.58
Deletion during the year	51.52	51.52
Accumulated depreciation as at March 31, 2021	378.49	378.49
Depreciation charge for the year	337.88	337.88
Deletion during the year	158.54	158.54
Accumulated depreciation as at March 31,2022	557.83	557.83
Net block as at March 31,2022	1,799.99	1,799.99
Net block as at March 31,2021	1,210.79	1,210.79

6 INVESTMENTS

(a) Non-current investments

Particulars	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Investments in equity shares of other companies (unquoted, fully paid up, at fair value through profit and loss)		
7,500 (March 31, 2021 : 7,500) Equity shares of ₹ 10 each, fully paid up, in Belapur Railway Station Complex Limited	0.08	0.08
	0.08	0.08

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6 Investments (Contd.)

(b) Current investments in units of unquoted mutual fund (at fair value through profit and loss)

Particulars	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
74,594 Units (March 31, 2021 - 99,728 Units) of face value of ₹ 10 each in ICICI Prudential Short term Plan- Growth	7.62	4.85
250,520 (March 31, 2021 - 250,520 Units) of face value of ₹ 10 each in HDFC Corporate Debt Opportunities Fund Growth	5.17	4.80
166,260 Units (March 31, 2021 - 166,260 Units) of face value of ₹ 10 each each in Aditya Birla Sun Life Medium term Plan-Growth	4.76	4.47
20,419 Units SBI Magnum Ultra Short duration fund (March 31, 2021: Nil Units)	100.00	-
6,108,095 Units Kotak Savings fund (March 31, 2021: Nil Units)	220.08	-
105,910 Units Kotak Overnight fund (March 31, 2021: Nil Units)	120.08	-
Nil Units ICICI Prudential Liquid Fund (March 31, 2021: 3,28,174 Units)	-	100.01
1,484,750 Units ICICI Prudential Overnight Fund (March 31, 2021: 1,806,813 Units)	170.16	200.52
7,127,375 Units ICICI Prudential Ultra short term Fund (March 31, 2021: 10,570,596 Units)	170.42	241.83
Nil Units SBI liquid fund (March 31, 2021: 77,823 Units)	-	250.72
Nil Units SBI Overnight fund (March 31, 2021 : 47,793 Units)	-	160.19
1,794,595 (March 31, 2021: 766,644 Units) in ICICI Prudential ICICI Prudential Overnight Fund	205.67	85.08
9,642,668 (March 31, 2021: 877,469 Units) in ICICI Prudential Ultra short term Fund	230.56	20.07
Nil (March 31, 2021: 164,108 Units) in ICICI Prudential Liquid Fund	-	50.01
20,160 equity shares (March 31,2021; Nil) of ₹25 each of Apna Bank	0.50	-
	1,235.02	1,122.55

7 OTHER FINANCIAL ASSETS

Particulars	(₹ in million)			
	Non - Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good				
Claims receivable	71.95	89.27	-	-
Accrued Interest	-	-	9.19	7.87
Balance in fixed deposit accounts with original maturity more than 12 months	0.04	0.04	-	-
Margin money deposits [refer note (i) below]	127.58	85.80	-	-
Advances to employees	-	-	20.79	33.02
Sundry deposits	131.17	83.94	-	-
Others [refer note (ii) below]	-	-	246.51	-
	330.74	259.06	276.49	40.89
Unsecured, considered doubtful				
Sundry deposits	2.33	2.33	-	-
Claims receivable	78.72	95.34	-	-
	81.05	97.67	-	-
Less: Impairment allowance for doubtful assets	(81.05)	(97.67)	-	-
	330.74	259.06	276.49	40.89

Notes:

(i) Margin money deposits given as security

Margin money deposits with carrying amount of ₹ 84.35 million (March 31,2021 : ₹ 58.14 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 ₹ 43.23 million (March 31, 2021 - ₹ 27.66 million) are subject to first charge to secure the facilities for Vaulting and ATM operations.

(ii) Represents IPO proceeds held in escrow account, to be utilised towards the settlement of IPO expenses.

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8 DEFERRED TAX ASSETS (NET)

	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Deferred tax assets		
Impairment allowance for bad and doubtful receivables	240.98	153.91
Impairment allowance for doubtful advances, claims receivable and deposits	14.65	18.76
Provision for employee benefits and bonus payable	72.69	83.32
Leases	28.43	13.10
	356.75	269.09
Deferred tax liabilities		
Depreciation	52.35	21.26
	52.35	21.26
Deferred tax assets (Net)	304.40	247.83

Deferred tax reconciliation

	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Opening balance	247.83	272.96
Tax during the year recognised in Statement of Profit and Loss	59.29	(25.94)
Tax during the year recognised in other comprehensive income	(1.05)	0.81
Deferred tax on account of Business combination (Refer note 43)	(1.70)	-
Closing balance	304.40	247.83

Tax reconciliation

	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Profit before tax	3,014.45	2,377.50
At statutory income tax rate of 25.168% (March 31, 2021: 25.168%)	758.68	598.37
Effect of non-deductible items under tax laws	20.46	82.00
Adjustment of tax relating to earlier years	(5.06)	11.90
Tax expense (Effective rate 25.679% (March 31, 2021: 29.118%))	774.07	692.27
Income tax expense reported in the Statement of Profit and Loss	774.07	692.27

9 OTHER ASSETS

	(₹ in million)			
	Non - Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good				
Advances recoverable in kind or for value to be received	-	-	185.93	142.40
Capital advances	128.19	75.59	2.88	0.45
Receivable from Government Authorities	47.66	47.66	281.46	135.52
Prepaid expenses	34.18	22.86	206.25	155.07
Unbilled Revenue (Contract assets)	-	-	311.37	358.97
	210.03	146.11	987.89	792.41

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

10 INVENTORIES

	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Valued at lower of cost and net realisable value		
Trading goods (refer note below)	284.93	456.48
Stores and spares	349.89	438.25
	634.82	894.73

Note:

Trading stock includes stock at ATM sites which are not installed as at March 31, 2022 amounting to ₹ 51.99 million (March 31, 2021 - ₹ 285.59 million).

11 TRADE RECEIVABLES

	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Secured and considered good	-	-
Unsecured and considered good		
Billed (Refer note 37)	3,210.72	3,490.95
Unbilled Revenue (Refer note 37)	1,782.49	1,516.24
Credit impaired	934.62	586.36
	5,927.83	5,593.55
Less : Loss allowance	(934.62)	(586.36)
	4,993.21	5,007.19

12 CASH AND BANK BALANCES

Cash and cash equivalents

	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Balances with banks		
On current accounts	636.81	927.98
In deposits account with original maturity of less than three months	-	400.22
Cash on hand	6.66	6.94
	643.47	1,335.14
Bank balances other than above		
Funds held relating to cash management activity [refer note (i) below]	47.35	69.57
In deposits account with original maturity for less than 12 months but more than three month	675.02	450.98
Margin money deposits [refer note (ii) below]	51.93	89.79
	774.30	610.34

Note:

(i) Funds held relating to cash management activity represents the net funds invested by the Group in one of the services of 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 ₹ 32.54 million (March 31, 2021 ₹ 66.25 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 19.39 million (March 31, 2021 - ₹ 23.54 million) are subject to first charge to secure the facilities for Vaulting and ATM operations.

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13(A) SHARE CAPITAL

	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Authorised share capital		
173,000,000 (March 31, 2021 - 173,000,000) equity shares of ₹ 10 each	1,730.00	1,730.00
1,500,000 (March 31, 2021 - 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:		
153,152,747 (March 31, 2021- 148,000,000) equity shares of ₹ 10 each	1,531.53	1,480.00

(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.

(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, 2022		As at March 31, 2021	
	No of Shares	% Shareholding	No of Shares	% Shareholding
Equity shares of ₹ 10 each fully paid up				
SION INVESTMENT HOLDINGS PTE. LIMITED *	9,70,74,075	63.38%	14,80,00,000	100%
WF ASIAN RECONNAISSANCE FUND LIMITED	88,43,973	5.77%	-	-
SBI SMALL CAP FUND	82,86,487	5.41%	-	-
Total	11,42,04,535	74.57%	14,80,00,000	100.00%

* Includes Six individual shareholders (registered shareholders) holding one share each as nominees of Sion Investment Holdings Pte. Ltd.

(iii) 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.

(iv) Shares held by promoter at the end the year

Name of the Promoters	No of Shares	% of Total shares	Changed during the year
SION INVESTMENT HOLDINGS PTE. LIMITED *	9,70,74,075	63.38%	36.62%

(v) Shares reserved for issue under options

For details of options allotted under employee stock option schemes, refer note 39

(vi) During the year 2021-22, the Board has paid ₹ 226.44 million interim dividends. The first dividend was declared on May 4, 2021 at the rate of ₹ 0.62 per equity share (6.2% of the face value of ₹ 10 each) and second dividend was declared on October 19, 2021 at the rate of ₹ 0.91 per equity share (9.1% of the face value of ₹ 10 each). The dividend distribution tax on the said dividends is ₹ Nil as the Group has withheld 10% TDS on the Gross dividend and remittance is done net of withholding taxes. The withholding taxes are duly deposited with the Government.

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

13(B) OTHER EQUITY

A) Summary of Other Equity balance

	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Securities premium		
Opening balance	42.87	42.87
Add: Securities premium on shares (stock options) issued during the year	586.11	-
Add: Transfer on exercise of options	136.30	-
Closing balance	765.28	42.87
Share based payment reserve (refer note 39 and 40)		
Opening balance	406.43	386.82
Add : Employee stock option compensation cost during the year	61.19	19.61
Less : Transfer on exercise of options	(136.30)	-
Closing balance	331.32	406.43
Capital redemption reserve		
Opening balance	150.50	150.50
Closing balance	150.50	150.50
Retained earnings		
Opening balance	7,764.96	6,443.72
Add: Net profit after tax transferred from Statement of Profit and Loss	2,240.38	1,685.23
Less: Dividend Paid [Refer note 13(a)(vi)]	(226.44)	(362.60)
Add: Other comprehensive income (net of tax)	3.77	(1.39)
Closing balance	9,782.67	7,764.96
Total	11,029.77	8,364.76

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.

(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)	
	Current	
	As at March 31, 2022	As at March 31, 2021
Dues of micro enterprises and small enterprises (refer note 32a)	79.81	45.27
Dues of creditors other than micro enterprises and small enterprises (refer note 32b)	1,338.19	2,010.52
Accrued Expenses	1,040.80	1,005.76
	2,458.80	3,061.55

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

15 OTHER FINANCIAL LIABILITIES AND LEASE LIABILITIES

(₹ in million)

	Non current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Capital creditors	-	-	295.44	896.33
Payable to employees	-	-	493.43	481.73
Others	-	-	277.16	32.38
	-	-	1,066.03	1,410.45
Lease liabilities (Refer note 29)	1,467.61	945.38	460.67	320.97
	1,467.61	945.38	460.67	320.97

16 PROVISIONS

(₹ in million)

	Non current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits (refer note 28)				
For gratuity	148.47	140.82	18.14	15.98
For compensated absences	52.57	50.19	17.61	13.24
	201.04	191.01	35.75	29.22

17 OTHER LIABILITIES

(₹ in million)

	Non current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Statutory liabilities (including provident fund, tax deducted at source and others)	-	-	249.57	168.62
Unearned revenue (contract liability) (Refer note 42)	9.25	-	46.94	146.14
	9.25	-	296.51	314.76

18 REVENUE FROM OPERATIONS (REFER NOTE 42)

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of ATM and ATM Sites	1,155.30	1,622.83
Sale of products	791.29	683.02
Sale of services (refer note 29)	13,950.12	10,755.05
Revenue from operations	15,896.71	13,060.90
Details of products sold		
ATM Spares and related Products	652.62	536.34
Cards	137.18	143.70
Others	1.49	2.98
	791.29	683.02
Details of services rendered		
ATM and Cash management services	12,152.04	8,961.26
AMC services	1,522.56	1,478.86
Card Personalisation	275.52	314.94
	13,950.12	10,755.06

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

19 FINANCE INCOME

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income on		
Bank deposits	30.77	53.06
Security deposits measured at amortised cost	2.36	3.81
Income Tax refund	1.72	2.32
	34.85	59.19

20 OTHER

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Sundry credit balances written back	7.80	52.76
Profit on sale of property, plant and equipment (net)	5.38	1.40
Foreign exchange gain (net)	4.32	12.29
Profit on sale of current investments	20.58	7.65
Net change in fair value of current investments measured at FVTPL	4.12	3.91
Lease rent concession	1.73	20.07
Miscellaneous income	0.32	1.04
	44.25	99.12

21 PURCHASE OF TRADED GOODS

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of traded goods	1,360.86	2,069.54
Details of purchases		
ATM and ATM Sites	737.32	1,534.26
ATM Spares and related Products	518.33	416.84
Cards	105.21	118.44
	1,360.86	2,069.54

22 CHANGES IN INVENTORIES OF FINISHED GOODS (INCLUDING STOCK IN TRADE)

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the end of the year		
Traded goods	279.38	456.48
Inventories at the beginning of the year		
Traded goods	456.48	183.42
	177.10	(273.06)

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

23 EMPLOYEE BENEFIT EXPENSE

	(₹ in million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	2,033.38	1,779.35
Contribution to provident and other funds (refer note 28)	149.20	145.59
Gratuity expense (refer note 28)	36.53	32.96
Share based payments to employees (refer note 39 and 40)	61.19	19.61
Staff welfare expenses	35.15	38.33
	2,315.45	2,015.84

24 FINANCE COSTS

	(₹ in million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on bank overdraft	-	6.82
Interest others	0.08	2.06
Interest on lease liability	143.82	73.44
	143.90	82.32

25 OTHER EXPENSES

	(₹ in million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Service and security charges	3,207.18	2,651.89
Conveyance and traveling expenses	770.14	567.67
Vehicle maintenance, hire and fuel cost	1,508.78	1,116.84
Consumption of stores and spares	269.92	231.62
Annual maintenance charges	341.44	233.59
Legal, professional and consultancy fees	238.03	183.92
Courier , freight and forwarding charges	134.31	138.61
Power and electricity charges	112.81	83.05
Insurance	173.61	205.07
Communication costs	55.95	38.77
Trade receivables written off	451.28	322.67
Less : Out of the provision of earlier years	(246.87)	(99.89)
Impairment allowance for bad and doubtful receivables and deposits	595.13	206.00
Cash disposal charges	139.22	156.01
Insurance Claims recievables written off	38.07	12.68
Less : Out of the provision of earlier years	(24.11)	(11.89)
Impairment allowance for doubtful insurance claims	7.78	-
Advances and other Debit balance written off	21.46	1.08
Less : Out of the provision of earlier years	-	-
Cash lost in transit	66.68	75.32
Repairs and maintenance- Building	0.11	0.10
Repairs and maintenance- Plant and Machinery	0.10	0.35
Repairs and maintenance- Others	32.31	18.42
Payment to auditors		
As auditors:		
Audit fees	9.97	6.57
Reimbursement of expenses	0.03	0.18
In other matters	2.38	-
Expenditure on corporate social responsibility (Refer Note 34)	40.74	33.40
Miscellaneous expenses	99.17	140.49
	8,045.62	6,312.52

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

NOTE 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, 2022	March 31, 2021
Profit for the year attributable to equity shareholders (₹ in million)	2,240.38	1,685.23
Weighted average number of equity shares for Basic EPS	14,87,06,864	14,80,00,000
Weighted average number of equity shares on account of Employee stock option scheme for dilutive impact	76,20,024	39,14,481
Weighted average number of equity shares for diluted EPS	15,63,26,888	15,19,14,481
Earnings Per Share		
Basic (in ₹)	15.07	11.39
Diluted (in ₹)	14.33	11.09

NOTE 27 : CAPITAL WORK IN PROGRESS (INCLUDING INTANGIBLE ASSETS UNDER DEVELOPMENT) *

The following reflects the movement of Capital work in progress (including intangible assets under development) for ongoing projects during the years:

	(₹ in million)	
Particulars	March 31, 2022	March 31, 2021
Opening CWIP as at	231.47	39.32
(+) Additions during the year	432.18	230.85
(-) Capitalised during the year	(226.80)	(38.70)
Closing CWIP (Including intangible assets under development) as at	436.85	231.47

The following table represents CWIP (Including intangible assets under development) ageing as at :

	(₹ in million)	
Particulars	March 31, 2022	March 31, 2021
Less than 1 year	432.64	230.85
1-2 Years	4.21	0.63
Total	436.85	231.48

* Represents projects in progress. There are no projects which have been temporarily suspended.

NOTE 28 : EMPLOYEE BENEFITS

Defined contribution plan

During the year ended March 31, 2022 and year ended March 31, 2021 the Group contributed the following amounts to defined contribution plans:

	(₹ in million)	
Particulars	March 31, 2022	March 31, 2021
Provident fund and Employees Family Pension Scheme	121.53	119.82
Employees' State Insurance Corporation	27.67	25.77
Total	149.20	145.59

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.

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 28 : Employee benefits (Contd.)

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.

The following tables summaries the components of benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for the gratuity plan of the Group.

Statement of Profit and Loss- Net employee benefits expense (recognised in employee cost)

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Current service cost	26.50	23.15
Net interest cost	10.04	9.81
Expenses recognised in the Statement of Profit and Loss	36.53	32.96

Defined contribution plan

Net employee benefits expense (recognised in Other comprehensive income)

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Actuarial (losses) / gains		
- change in demographic assumptions	-	-
- change in financial assumptions	8.28	(0.61)
- experience variance (i.e. actual experience vs assumptions)	(3.48)	(2.84)
- Return on plan assets, excluding amount recognised in net interest expense	0.02	1.25
Components of defined benefit cost recognised in other comprehensive income	4.82	(2.20)

Balance Sheet

Details of net benefit obligation and fair value of plan assets:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Present value of obligation	215.59	202.80
Fair value of plan asset	48.98	46.01
Net liability	166.61	156.79

Changes in present value of obligation

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Present value of obligation at the beginning	202.80	201.03
Current service cost	25.36	23.15
Interest expense	12.97	12.97
Re-measurement (gain) / loss arising from		
- change in demographic assumptions	-	-
- change in financial assumptions	(8.28)	0.61
- experience variance (i.e actual experience vs assumptions)	3.48	2.84
Benefits paid	(20.74)	(37.79)
Present value of obligation at the end	215.59	202.80

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 28 : Employee benefits (Contd.)

Changes in the fair value of plan asset are as follows:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Fair value of plan assets at the beginning	46.01	42.04
Investment income	2.95	2.72
Employer's contribution	-	-
Benefits Paid	-	-
Re-measurement gain / (loss) arising from		
Return on plan assets, excluding amount recognised in net interest expense	0.02	1.25
Fair value of plan assets as at the end	48.98	46.01

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Investment with insurer	100%	100%

The Group expects to contribute Nil (March 31, 2021 - ₹ Nil) 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	(₹ in million)	
	March 31, 2022	March 31, 2021
Weighted average duration (based on discounted cashflows)	7 to 12 years	7 to 12 years

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Group's expected cash flows over the future period (on undiscounted basis)		
1 year	21.39	17.82
2 to 5 years	79.83	71.06
6 to 10 years	93.53	85.16
More than 10 years	234.44	220.39

The principal assumptions used in determining gratuity benefit obligations for the Group's plan are shown below:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Discount rate	6.25% to 6.60%	6.25% - 6.60%
Salary Growth rate	5%	5%
Employee Attrition rate		
- Less than 5 years of service	25%	25%
- More than 5 years of service	5%	5%

The estimates of future salary increases, considered in actuarial valuation, takes in account of 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.

Notes

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Note 28 : Employee benefits (Contd.)

A quantitative sensitivity analysis for the significant assumptions on defined benefit obligation as at March 31, 2022 is as shown below:

Particulars	(₹ in million)			
	As at			
	March 31, 2022		March 31, 2021	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%)	19.38	(16.69)	18.86	(16.38)
(% change compared to base due to sensitivity)	8.87%	(-)7.74%	9.30%	(-)8.08%
Salary Growth Rate (-/+1%) (Amount in ₹ million)	(16.75)	18.88	(16.34)	13.45
(% change compared to base due to sensitivity)	(-)7.77%	8.76%	(-)8.06%	6.63%
Attrition Rate (-/+ 50% of attrition rates) (Amount in ₹ million)	(5.24)	2.78	(3.05)	1.22
(% change compared to base due to sensitivity)	(-)2.43%	1.29%	(-)1.50%	0.60%
Mortality Rate (-/+10% of Mortality rates) (Amount in ₹ million)	(0.08)	0.08	(0.06)	0.06
(% change compared to base due to sensitivity)	(-)0.04%	0.04%	(-)0.03%	0.03%

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 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 ₹ 4.57 million (March 31, 2021: ₹ 15.49 million) for Compensated absences is recognised as an reversal and included in "Employee benefits" in the Statement of Profit and Loss. Accumulated non-current liability amount to ₹ 52.57 million (March 31, 2021: ₹ 50.19 million) and accumulated current liability amount to ₹ 17.61 million (March 31, 2021: ₹ 13.24 million).

NOTE 29 : LEASES

A. In case of assets taken on lease:

Operating lease:

The following is the break-up of current and non-current lease liabilities as at March 31, 2022 and March 31, 2021

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Current Lease Liabilities	460.67	320.97
Non-current Lease Liabilities	1,467.61	945.38
Total	1,928.28	1,266.35

The following is the movement in lease liabilities during the year ended March 31, 2022 and year ended March 31, 2021:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Balance as at 01 April	1,266.35	865.16
Additions	978.83	760.40
Finance cost accrued during the year	143.82	73.44
Deletions	(53.56)	(166.89)
Lease rent concession	(1.73)	(20.07)
Payment of lease liability	(405.43)	(245.69)
Balance as at 31 March	1,928.28	1,266.35

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 29 : Leases (Contd.)

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 and March 31, 2021 on an undiscounted basis:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Less than one year	456.52	320.97
One to five years	1,568.44	1,044.24
More than five years	413.40	296.93
Total	2,438.36	1,662.14

The following is the movement in Right-of-use assets (which only consists of properties) during the year ended March 31, 2022 and March 31, 2021

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Balance as of 01 April	1,210.79	838.59
Additions during the year	978.83	760.40
Deletions during the year	(210.29)	(218.14)
Depreciation during the year (including Adjustments of accumulated depreciation on deletions).	(179.34)	(170.06)
Balance as at 31 March	1,799.99	1,210.79

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, 2022 is ₹ 405.43 million and March 31, 2021 is ₹ 245.69 million.

Group as lessor: lease receivables

The Group has entered into lease arrangement for its ATM management service business. The lease at inception is classified as operating lease. These leases have terms ranging between five and seven years. Future minimum rentals receivable under non-cancellable operating leases are, as follows:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Within one year	485.25	86.84
After one year but not more than five years	1,861.94	296.74
More than five years	694.44	-
Total	3,041.63	383.58

During the year, the Group has recognized ₹ 202.91 million (March 31, 2021 - ₹ 116.28 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 operating lease:

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Gross block value as at	2,554.70	1,322.70
Less: Accumulated Depreciation as at	(445.41)	(184.38)
Net block value as at	2,109.29	1,138.32
Depreciation for year	260.87	86.69

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NOTE 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
Parent of Holding Company	Baring Private Equity Asia VI Holdings Pte. Limited
Entites under common control	Vault Co-Investment Vehicle L.P.
Holding Company	Sion Investment Holdings Pte. Limited
Subsidiary Companies and Trusts	CMS Securitas Limited Securitans 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 (w.e.f March 30, 2022)
2) Key management personnel	Whole Time Director & Chief Executive Officer Mr. Rajiv Kaul (Whole Time Director & Chief Executive Officer) Chief Financial Officer Mr. Pankaj Khandelwal (Chief Financial Officer) Non-Executive Independent Director Ms. Shyamala Gopinath (upto December 31, 2021) Mr. Tapan Ray (w.e.f. April 09,2021) Mrs Manju Agarwal (w.e.f. Jan 01,2022) Mrs Sayali Karanjkar (w.e.f. Jan 01,2022) Mr. Krishna Mohan Sahani (w.e.f. April 01,2020 and upto March 31,2021) Non- Executive Non Independent Directors Mr. Ashish Agrawal Mr. Krzysztof Wieslaw Jamroz (w.e.f. August 10,2021) Ms. Shyamala Gopinath (w.e.f. Jan 01,2022) Mr. Jimmy Lachmandas Mahtani Company Secretary Mr. Praveen Soni

b) Summary of transactions with the above related parties are as follows:

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Remuneration to KMP (short-term employee benefits)		
Mr. Rajiv Kaul	108.79	96.48
Mr. Pankaj Khandelwal	15.30	13.21
Mrs. Shyamala Gopinath	2.10	2.10
Mr. Krzysztof Wieslaw Jamroz	1.40	-
Mr. Tapan Ray	2.10	-
Mrs. Sayali Karanjkar	0.53	-
Mrs. Manju Agarwal	0.53	-
Mr. Krishna Mohan Sahni	-	2.10
Employee stock option compensation cost (refer note 39 & 40)		
Mr. Rajiv Kaul	57.00	15.69
Mr. Pankaj Khandelwal	1.50	0.32

Notes

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Note 30 : Related Party Disclosures (Contd.)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Sitting fees paid to Directors		
Mrs. Shyamala Gopinath	0.40	0.40
Mr. Krzysztof Wieslaw Jamroz	0.40	-
Mr. Tapan Ray	0.40	-
Mrs. Sayali Karanjkar	0.10	-
Mrs. Manju Agarwal	0.10	-
Mr. Krishna Mohan Sahni	-	0.40

c) Summary of balance receivable from / (payable to) the above related parties are as follows:

Particulars	As at	
	March 31, 2022	March 31, 2021
Remuneration payable to KMP		
Mr. Rajiv Kaul	(51.15)	(34.89)
Mr. Pankaj Khandelwal	(3.10)	(2.78)
Mrs. Shyamala Gopinath	(0.53)	(0.53)
Mr. Krzysztof Wieslaw Jamroz	(1.40)	-
Mr. Tapan Ray	(2.10)	-
Mrs. Sayali Karanjkar	(0.53)	-
Mrs. Manju Agarwal	(0.53)	-
Sitting fees Payable to Directors		
Mrs. Shyamala Gopinath	(0.10)	-
Mr. Krzysztof Wieslaw Jamroz	(0.10)	-
Mr. Tapan Ray	-	-
Mrs. Sayali Karanjkar	(0.10)	-
Mrs. Manju Agarwal	(0.10)	-
IPO expenses recoverable		
Sion Investment Holdings Pte. Limited	246.51	-

(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.

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NOTE 31 : CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

a) Contingent liabilities:

(₹ in million)

Particulars	As at	
	March 31, 2022	March 31, 2021
Claims against the Group not acknowledged as debt		
a) Disputed Customs matters*	92.65	87.91
b) Disputed VAT matters*	70.26	247.77
c) Disputed Excise matters*	69.03	69.03
d) Disputed CST matters *	2.05	6.56
e) Disputed GST matters *	0.82	0.82
f) Disputed Service tax matters *	11.21	7.05
g) Employee litigation matters	11.82	13.25
i) Disputed Income tax matter	119.57	118.33
	377.41	550.72

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 this proceeding will not have a material adverse effect on the Group's financial position and results of operations.

b) During the year 2016-17, one of the customers withheld the amount due to Securitrans India Private Limited ("SIPL"), subsidiary of the Company for providing cash replenishment services on account of an alleged instance of misappropriation by two employees of SIPL. Since the parties failed to resolve the dispute amicably, SIPL served a notice of pending dues to the customer on January 17, 2017. SIPL and the customer have appointed their respective arbitrators and the matter is currently pending before arbitration Tribunal and the management is confident of recovering the entire amount. Considering the litigation involved, the Company has provided for doubtful receivables based on the best judgment assessment of the case. The management believes that the provision made in the books is sufficient to cover the liability for loss, if any, which would be confirmed only after the final result of the litigation. Since the matter is under litigation, the disclosures required as per the provisions of Ind AS 37 relating to the provisions made are not given as it is expected to prejudice seriously the position of the Company with regards to the litigation.

c) Capital commitments:

(₹ in million)

Particulars	As at	
	March 31, 2022	March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for	980.54	548.27

d) There has been a Supreme Court (SC) judgement dated 28th February 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 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.

e) In addition, there are certain civil claims against the Group. The Management is confident, that these will not have any material impact in the financial statement.

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NOTE 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 ₹ 79.81 million (March 31, 2021 ₹ 45.27 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, 2022	March 31, 2021
Total outstanding dues of micro enterprises and small enterprises (as per the intimation received from vendors)	79.81	45.27
a. Principal and interest amount remaining unpaid	-	-
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	-	-

MSME ageing schedule as at respective year end :

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
MSME Undisputed Dues		
Less than 1 year	68.64	31.64
1-2 Years	4.49	2.13
2-3 Years	3.75	-
More than 3 years	-	-
Total	76.88	33.77
MSME Disputed Dues		
Less than 1 year	-	-
1-2 Years	-	7.04
2-3 Years	-	3.68
More than 3 years	2.93	0.78
Total	2.93	11.50

b) Ageing of creditors other than micro enterprises and small enterprises as at respective year end :

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
Others - Undisputed		
Less than 1 year	2,188.94	2,948.88
1-2 Years	41.23	4.27
2-3 Years	66.19	21.90
More than 3 years	82.63	41.23
Total	2,378.99	3,016.28

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NOTE 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, 2021: ₹ 694.25 million), relates to the Cash Management division of the Holding Company.
- b) ₹ 1,147.52 million (March 31, 2021: ₹ 1,147.52 million), relates to one of the subsidiary- "Securitrans India Private Limited".
- c) ₹ 185.94 million (March 31, 2021: ₹ 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, 2021: ₹ Nil), relates to one of the subsidiary - "Hemabh Technology Private Limited".

The Group performed its annual impairment test for year ended March 31, 2022 and March 31,2021 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 a 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 4% for the year ended March 31, 2022 (March 31,2021: 4%). The pre-tax discount rate applied to the cash flow projections for impairment testing is 13.7% for March 31, 2022 (March 31,2021: 13.7%)

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, 2022. 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.

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NOTE 34 : EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

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 ₹ 40.91 million (March 31,2021 ₹ 31.69 million).

Amounts spent during the year :-	March 31, 2022			March 31, 2021		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
	(i) Construction / acquisition of any asset	-	-	-	-	-
(ii) On purpose other than (i) above	40.74	-	40.74	33.40	-	33.40

In previous year ended March 31,2021, company has made CSR spends aggregating to ₹ 1.71 million which relates to current financial year.

NOTE 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, 2022 and March 31, 2021 is:

Particulars	March 31,2022		March 31,2021	
	Amount in foreign currency	Amount in ₹ million	Amount in foreign currency	Amount in ₹ million
Currency Type:				
USD	\$ 1,368,067.28	105.50	\$ 3,307,012.25	241.78
GBP	£ 2765.21	0.28	-	-

NOTE 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 31,2022

Particulars	March 31, 2022				
	Cost	Fair value	Level 1	Level 2	Level 3
Assets measured at fair value					
FVTPL financial investments					
Investment in unquoted mutual fund units	1,226.79	1,234.52	1,234.52	-	-
Investment in unquoted equity shares	0.58	0.58	-	-	0.58

Particulars	March 31, 2021				
	On demand	Within 12 months	1 to 5 years	Above 5 years	Total
Assets measured at fair value					
FVTPL financial investments					
Investment in unquoted mutual fund units	1,116.70	1,122.55	1,122.55	-	-
Investment in unquoted equity shares	0.08	0.08	-	-	0.08

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.

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Note 36: Fair Value Hierarchy (Contd.)

The management assessed that 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 year presented.

Break up of financial assets carried at amortised cost

Particulars	₹ in million)	
	March 31, 2022	March 31, 2021
Trade receivables	3,210.72	3,490.94
Unbilled Revenue	1,782.49	1,516.24
Cash and cash equivalents	643.47	1,335.14
Other bank balances	774.30	610.34
Other financial assets	607.23	299.95
Total financial assets carried at amortised cost	7,018.21	7,252.62

Break up of financial liabilities carried at amortised cost

Particulars	₹ in million)	
	March 31, 2022	March 31, 2021
Trade payables	2,458.80	3,061.55
Other financial liabilities	1,066.03	1,410.45
Total financial liabilities carried at amortised cost	3,524.83	4,471.99

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.

NOTE 37 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group through its operations is exposed to credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The senior management reviews and agrees policies for managing each of these risks, which are summarised below.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables).

Trade receivables

Customer credit risk is managed by the Group's established policy. To minimise 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.

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Note 37 : Financial risk management objectives and policies (Contd.)

The following table provides information about the ageing of gross carrying amount of trade receivables as at respective year end

Undisputed Trade receivables -considered good

Gross Carrying Amount	₹ in million)	
	March 31, 2022	March 31, 2021
Not due	693.01	875.89
Less than 6 Months	2,012.10	1,725.64
6 months - 1 year	411.00	399.51
1-2 Years	144.69	362.03
2-3 Years	73.88	90.08
More than 3 years	21.35	76.03
Unbilled revenue	1,782.49	1,516.24
Total	5,138.52	5,045.43

Undisputed Trade receivables -considered Doubtful

Gross Carrying Amount	₹ in million)	
	March 31, 2022	March 31, 2021
Less than 6 Months	-	-
6 months - 1 year	-	-
1-2 Years	321.39	199.53
2-3 Years	122.51	60.69
More than 3 years	13.40	9.51
Total	457.30	269.73

Disputed Trade receivables -considered Good

Gross Carrying Amount	₹ in million)	
	March 31, 2022	March 31, 2021
Less than 6 Months	20.50	-
6 months - 1 year	31.26	-
1-2 Years	0.69	-
2-3 Years	0.02	-
More than 3 years	159.54	159.54
Total	212.01	159.54

Disputed Trade receivables -considered Doubtful

Gross Carrying Amount	₹ in million)	
	March 31, 2022	March 31, 2021
Less than 6 Months	-	-
6 months - 1 year	-	-
1-2 Years	-	26.00
2-3 Years	27.14	-
More than 3 years	92.86	92.86
Total	120.00	118.86

Notes

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Note 37 : Financial risk management objectives and policies (Contd.)

Movement in allowance of impairment in respect of trade receivables

Particulars	(₹ in million)	
	As at	
	March 31, 2022	March 31, 2021
Balance as at April 01	586.36	480.24
Amounts written off (Net)	(246.87)	(99.89)
Net re-measurement of loss allowances	595.13	206.00
Balance as at March 31	934.62	586.36

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 ₹ 131.17 million as at March 31, 2022 and ₹ 83.94 million as at March 31, 2021.

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)

Particulars	(₹ in million)	
	As at	
	March 31, 2022	March 31, 2021
Balance as at April 01	97.67	109.56
Amounts written off (Net of reversals)	(24.40)	(11.89)
Net re-measurement of loss allowances	7.78	-
Balance as at March 31	81.05	97.67

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 financial ratios and takes into account the accessibility of cash and cash equivalents.

The Group has sufficient current assets comprising of Trade Receivables, Cash & 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 respective year end.

Particulars	(₹ in million)				
	March 31, 2022				
	On demand	Within 12 months	1 to 5 years	Above 5 years	Total
Trade and other payables	-	2,257.57	201.23	-	2,458.80
Lease Liabilities	-	460.67	1,568.44	413.40	2,442.51
Other financial liabilities	-	1,066.03	-	-	1,066.03
Total	-	3,784.27	1,769.67	413.40	5,967.34

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Note 37 : Financial risk management objectives and policies (Contd.)

Particulars	(₹ in million)				
	March 31, 2021				
	On demand	Within 12 months	1 to 5 years	Above 5 years	Total
Trade and other payables	-	2,980.52	81.03	-	3,061.55
Lease Liabilities	-	320.97	1,019.57	294.61	1,635.15
Other financial liabilities	-	1,410.45	-	-	1,410.45
Total	-	4,711.94	1,100.60	294.61	6,107.15

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, 2022 and March 31, 2021. It has taken adequate credit facilities from various banks to maintain its liquidity.

38. SEGMENT INFORMATION

The segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products sold and services rendered. The operating businesses are organized and managed separately according to the nature of the products sold and services rendered, with each segment representing a strategic business unit that offers different products and services. For management purposes, the Group is organized into business units based on the nature of services rendered and products sold into the following reportable segments.

- Cash management services include ATM services; Cash delivery and pick-up, Network cash management services (together known as "Retail cash management services") and other related services.
- Managed services division includes income from sale of ATM and ATM sites and related products and maintenance services.
- Card division includes revenue from trading in card and card personalization services.

No operating segments have been aggregated to form the above reportable operating segments. The Board of Directors of the Group monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. However, the Group's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

Finance income and finance costs, and fair value gains and losses on financial asset are not allocated to individual segments as the underlying instruments are managed on a Group basis. Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on Group basis. Capital Expenditure consists of addition of property, plant and equipment and intangible assets.

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38. Segment information (Contd.)

Sr no	Particulars	(₹ in million)	
		Year ended	
		March 31, 2022	March 31, 2021
I Segment Revenue			
Cash Management services	11,108.07	9,094.19	
Managed Services	4,896.29	3,641.01	
Cards	412.70	458.64	
Less: Inter-segment Sales	520.35	132.94	
Total Segment Revenue	15,896.71	13,060.90	
II Segment Results			
Cash Management services	2,654.38	2,039.81	
Managed Services	810.38	547.27	
Cards	31.93	37.91	
Total Segment Results	3,496.69	2,624.99	
Less: Unallocated corporate expenses	417.44	323.48	
Profit from continuing operations before other Income, Finance costs/ Income and tax	3,079.25	2,301.51	
Add: Finance income	34.85	59.19	
Add: Other income	44.25	99.12	
Less: Finance costs	143.90	82.32	
Profit before tax	3,014.45	2,377.50	
Less: tax expenses	774.07	692.27	
Profit after tax attributable to equity shareholders	2,240.38	1,685.23	
III Segment Assets			
Cash Management services	7,561.86	6,463.46	
Managed Services	6,836.03	5,701.42	
Cards	203.60	247.82	
Unallocated corporate assets	3,955.47	3,705.40	
Total Segment Assets	18,556.96	16,118.10	
IV Segment Liabilities			
Cash Management services	2,157.81	1,844.58	
Managed Services	3,116.01	4,027.67	
Cards	44.89	92.50	
Unallocated corporate Liabilities	676.95	308.60	
Total Segment Liabilities	5,995.66	6,273.35	

Information about major customers

- a) Revenue for the Period ended March 31, 2022 includes revenue from one customer of the Group relating to Cash management services and Managed service segments amounting to ₹ 2,419.90 million representing 15% and another customer amounting to ₹ 3367.96 million representing 21% of the Group's total revenue.
- b) Revenue for the year ended March 31, 2021 includes revenue from one customer of the Group relating to Cash management services and Managed service segments amounting to ₹ 2,024.42 million representing 15% and another customer amounting to ₹ 2183.38 million representing 17% of the Group's total revenue.

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

NOTE 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 2016, CEO Stock Option Scheme 2016 and Management Scheme 2016. Following are details of the scheme:

Particulars	(₹ in million)		
	Employee Scheme	CEO Scheme	Management Scheme
Number of options reserved under the scheme	46,04,444	98,66,667	25,19,366
Number of option granted under the scheme	43,21,907	98,66,667	25,19,366

Following is the vesting period for grants during the year:

Vesting Period	Employee Scheme		CEO Scheme	Management Scheme
	Time Based	Performance Based	Time Based	Time Based
12 months from date of grant	25%	0.00%	100%	100%
21 months from date of grant	8.33%	16.67%	-	-
33 months from date of grant	8.33%	16.67%	-	-
45 months from date of grant	8.34%	16.66%	-	-

For options granted under Employee scheme, 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.

The vested options can be exercised by the employees only upon happening of liquidity event. The vested options can be exercised within 1 year of the date such options are vested in case of employee scheme and management scheme and within 2 years from date of such options vested in case of CEO scheme. 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, 2022			March 31, 2021	
	Employee scheme	CEO Scheme	Management scheme	Employee scheme	CEO Scheme
	Outstanding at the beginning of the year	35,21,750	98,66,667	-	35,55,750
Granted during the year	12,00,400	-	25,19,366	-	-
Forfeited / cancelled during the year	(4,00,243)	-	-	(34,000)	-
Exercised during the year	(11,52,747)	(40,00,000)	-	-	-
Expired during the year	-	-	-	-	-
Outstanding at the end of the year	31,69,160	58,66,667	25,19,366	35,21,750	98,66,667
Weighted average exercise price of Option					
Outstanding at the beginning of the year	125	123	-	125	123
Granted during the year	165	-	165	-	-
Outstanding at the end of the year	140	123	165	125	123
Weighted average remaining contractual life (in years)	0.67	-	0.45	0.04	-

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 39 : Employee Stock Options Schemes (Contd.)

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	(₹ in million)	
	March 31, 2022	March 31, 2021
Dividend yield (%)	0%	0%
Expected volatility (%)	25% - 32%	25% - 29%
Risk-free interest rate (%)	4%	6%
Expected life of share options (years)	3.7 years	3.7 years
Weighted average fair value per share on grant date (in ₹)	165	143

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. Over the year's 1,053,493 (year ended March 31, 2022: 400,243) stock options has expired and lapsed on account of employees left the organization. Accordingly reversal on account of same for the year ended March 31, 2022 is recognized in the profit and loss account aggregating to ₹ 11.41 million. The group has recognized ₹ 57.50 million, (March 31, 2021 - ₹ 4.97 million) as employee benefit expense in relation to all the active options outstanding as at respective year ends.

NOTE 40 : AGREEMENT BETWEEN PROMOTER AND CEO

On September 26th, 2017, Vault Co-Investment Vehicle L.P. ("Vault L.P."), a limited liability partnership incorporated in the Cayman Islands and controlled by Barings Private Equity Asia GP VI Limited, the ultimate promoter of SION Investment Holdings Pte. Limited ("Sion"), the holding company, entered into an agreement with Chief Executive Officer of the Company (CEO) pursuant to which, the CEO was granted options under the stock option plan of Vault L.P. These options vested immediately to entitle base units in Vault L.P. to the extent of amount equivalent to 0.61% of the value of the Company for a consideration equivalent to such value of the Company as per the terms and conditions of the agreement. As per the plan, the base units are entitled for upward adjustment subject to fulfilment of certain market and service conditions.

Upon redemption of base or adjusted base units, CEO will receive from Vault L.P., an amount equivalent to value of the Company vis-vis such units at the time of sale of Sion's shareholding in the Company subject to certain conditions set out in the agreement.

Since the option granted to CEO is for the services rendered to the Company, the Option has been valued considering the various probable scenarios and using specific assumptions relating to expected volatility and risk free return. The total charge over the period of vesting estimated is ₹ 70.20 million. The proportionate charge recognized during the current period is ₹ 15.10 million (March 31, 2021: ₹ 15.69 million)

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

NOTE 41 : ADDITIONAL INFORMATION TO BE DISCLOSED AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ALL ENTERPRISES CONSOLIDATED:

Particulars	(₹ in million)							
	March 31, 2022							
	Net assets i.e., total assets minus total liabilities		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As a %	Amount	As a %	Amount	As a %	Amount	As a %	Amount
Parent								
CMS Info Systems Limited	89%	12,119.10	92%	2,134.70	2%	0.07	92%	2,134.77
Subsidiaries								
Securitrans India Private Limited	10%	1,422.17	8%	177.30	32%	1.22	8%	178.52
CMS Securitas Limited	0%	34.44	0%	2.92	48%	1.83	0%	4.75
CMS Marshall Limited	0%	6.65	0%	2.70	17%	0.65	0%	3.35
Quality Logistics Services Private Limited	0%	0.10	0%	-	0%	-	0%	-
Hemabh Technology Private Limited	0%	0.91	0%	-	0%	-	0%	-
CMS Securitas Employees Welfare Trust	0%	17.66	0%	0.98	-	-	0%	0.98

Particulars	(₹ in million)							
	March 31, 2021							
	Net assets i.e., total assets minus total liabilities		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As a %	Amount	As a %	Amount	As a %	Amount	As a %	Amount
Parent								
CMS Info Systems Limited	87%	9,511.95	90%	1,516.77	57%	(0.78)	90%	1,515.99
Subsidiaries								
Securitrans India Private Limited	12%	1,321.82	9%	151.85	28%	(0.38)	9%	151.47
CMS Securitas Limited	0%	29.60	1%	12.54	90%	(1.24)	1%	11.30
CMS Marshall Limited	0%	3.30	0%	2.63	-74%	1.02	0%	3.65
Quality Logistics Services Private Limited	0%	0.10	0%	-	0%	-	0%	-
CMS Securitas Employees Welfare Trust	0%	16.68	0%	1.40	0%	-	0%	1.40

NOTE 42 : 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 recognized at point in time when control of the products being sold is transferred to our customer and Revenue from services is recognized 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

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 42 : Ind AS 115 Revenue from Contracts with Customers (Contd.)

Reconciliation of revenue recognized with contracted price

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Revenue as per Contracted Price	16,028.78	13,363.22
Reduction (Rebate/discount)	(132.07)	(302.32)
Revenue recognized as per the statement of profit and loss	15,896.71	13,060.90

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.

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Opening Balance	146.16	209.21
i) Additions during the year (net)	56.19	99.17
ii) Reversal during the year	(46.99)	-
iii) Income Recongised during the year	(99.17)	(162.22)
Closing Balance	56.19	146.16

Revenue expected to be recognised in the future from Deferred Contract Liability:

Time Band	(₹ in million)	
	March 31, 2022	March 31, 2021
within 1 years	-	146.16
1 - 2 Year	56.19	-
Total	56.19	146.16

There is no obligation for returns, refunds and other similar obligation as at March 31, 2022 and March 31, 2021

NOTE 43 : BUSINESS COMBINATION

During the year ended 31 March 2022, the Company has acquired 100% of the equity share capital of Hemabh Technology Private Limited for a consideration of ₹ 28.05 million. Assets taken over comprises of Property Plant and Equipment (₹ 115.49 million), Customer Contracts (₹ 44.70 million) and other assets (₹ 78.55 million) comprising ₹ 238.74 millions. Liabilities taken over comprises of borrowings (₹ 143.86 millions), trade payables (₹ 69.05 millions) and other liabilities (₹ 24.93 millions) amounting to ₹ 237.84 millions. On a provisional basis, no additional intangible assets have currently been identified and the purchase consideration, over assets taken over amounting to ₹ 27.14 million, has been recognised as goodwill. The Goodwill represents expected synergies and assembled workplace. Adjustments, if any, to the provisional amounts will be recognized in the coming reporting period as if the accounting for the business combination had been completed at the acquisition date.

NOTE 44 : IMPACT OF CORONA VIRUS OUTBREAK

In the short term, Group has adequate resources to sustain the impact of Covid-19. We do not foresee any material adverse impact in the medium to long term on the business. Based on our current assessment, no significant impact on carrying value on goodwill, inventory, trade receivables, intangible assets, investments and other financial assets is expected. The actual impact of global pandemic could be different from estimated, as the COVID scenario evolves in India. The group will continue to closely monitor any material changes to future economic conditions.

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

NOTE 45 : PREVIOUS YEAR FIGURES HAVE BEEN REGROUPED / RECLASSIFIED, WHERE NECESSARY, TO CONFORM TO THIS YEAR CLASSIFICATION

NOTE 46 : 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, 2022 and the year ended March 31, 2021 are in agreement with books of accounts.

NOTE 47 : DISCLOSURE REQUIRED UNDER RULE 11(E) OF THE COMPANIES RULES, 2014

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 Group 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 lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTE 48 : INITIAL PUBLIC OFFERING

During the year ended March 31, 2022, the holding company has completed its Initial Public offer ("IPO"), comprising of an offer for sale of 50,925,925 equity shares of face value ₹ 10 each at an issue price of ₹ 216 per share by existing shareholders. Pursuant to the IPO, the equity shares of the Holding Company were listed on National Stock Exchange of India (NSE) and BSE Limited (BSE) on December 31, 2021.

NOTE 49 : RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company does not have any transactions with companies struck off.

NOTE 50 : 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.

NOTE 51 : UNDISCLOSED INCOME

- The Company has 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)
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

NOTE 52 : 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 Companies Act 2013.
- The Board of Directors at its meeting held on May 9, 2022 recommended a Final Dividend of ₹ 1 per Equity share of ₹ 10 each for FY 2021-22. This Final dividend is subject to the approval of the Members at the ensuing Annual General Meeting which will be held on or before September 30, 2022.

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

NOTE 53:

The Group has presented these consolidated financial statement in accordance with the requirement of Schedule III - of the Companies Act , 2013 including amendments thereto , effective from April 01,2021.

NOTE 54:

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.

As per our report of even date
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

**For and on behalf of the Board of Directors of
CMS Info Systems Limited**
CIN: L45200MH2008PLC180479

Koosai Leherly
Partner
Membership No.: 112399

Ashish Agrawal
Director
DIN No.: 00163344

Rajiv Kaul
Whole Time Director and Chief Executive Officer
DIN No.: 02581313

Place : Mumbai
09 May 2022

Pankaj Khandelwal
Chief Financial Officer
DIN No.: 05298431

Praveen Soni
Company Secretary
Membership No: FCS 6495



Registered Off: T-151, Tower No. 10, Railway Station Complex,
5th Floor, Sector-11, CBD Belapur, Navi Mumbai - 400 614
Tel: +91-22- 4889 7400 **Email:** investors@cms.com
CIN: L45200MH2008PLC180479 **Website:** www.cms.com

NOTICE OF 15TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT 15th (FIFTEENTH) ANNUAL GENERAL MEETING OF THE MEMBERS OF CMS INFO SYSTEMS LIMITED ("THE COMPANY") WILL BE HELD ON WEDNESDAY, SEPTEMBER 21, 2022 AT 3.00 P.M. IST THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the:
 - a) Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 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, 2022 together with the report of the Auditors thereon.
2. To declare Final Dividend on equity shares for the financial year ended March 31, 2022.
3. To appoint a Director in place of Mr. Jimmy Lachmandas Mahtani (DIN: 00996110), who retires by rotation and, being eligible, offers himself for re-appointment.

By order of the Board of Directors
For **CMS Info Systems Limited**

Sd/-

CS Praveen Soni
Company Secretary & Compliance Officer
Membership No.: FCS 6495

Place: Mumbai
Date: 9th May, 2022
Registered Office:
T-151, 5th Floor, Sector 11, Tower No. 10, Railway Station Complex,
CBD Belapur, Navi Mumbai- 400 614 Maharashtra

NOTES:

1. In view of the pandemic caused by COVID-19 and restrictions imposed on the movement of the people, Ministry of Corporate Affairs (“MCA”) vide Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021 and Circular No. 02/2022 dated May 05, 2022 (collectively referred to as “MCA Circulars”) and the Securities and Exchange Board of India (“SEBI”) vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/DDHS/P/CIR/2022/62 (collectively referred as “SEBI Circulars”), have permitted the holding of the Annual General Meeting (“AGM”) of a company through Video Conferencing (“VC”) /Other Audio Visual means (“OAVM”), without the physical presence of the Members at a common venue. Therefore, the 15th Annual General Meeting (“AGM”) of the Company is being conducted through VC / OAVM. 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. The procedure for participating in the AGM through VC / OAVM is explained in below Notes.
2. In terms of the MCA Circulars, since the requirement of physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for participating in the AGM through VC / OAVM and for voting through remote e-voting or e-voting during the AGM. Non-individual Members are requested to send the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote and Demat Account details, to the Company at investors@cms.com
3. The Members can join the AGM in the VC/OAVM mode, 15 minutes before and during the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson/Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis and can connect with Company at - investors@cms.com for participating at the AGM without such restriction.
4. Since the AGM will be held through VC/OAVM, the route map is not annexed to the AGM Notice.
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 September 14, 2022
6. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the Quorum under Section 103 of the Act.
7. Details of Mr. Jimmy Lachmandas Mahtani (DIN: 00996110) seeking re-appointment is attached with the Notice pursuant to the requirements of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meeting (“SS-2”) are provided in **Annexure A** to the Notice.
8. The following documents / registers will be available for online inspection by the Members of the Company up to the date of the AGM:
 - a) The Register of Directors and Key Managerial Personnel and their Shareholding and Register of Contracts or arrangement in which Directors are interested;
 - b) All the documents referred to in the AGM Notice; and
 - c) A certificate from M Siroya and Company, Practicing Company Secretaries, Secretarial Auditors of the Company, in terms of Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“the SBEB Regulations”), certifying that the Employee Stock Options Plans of the Company have been implemented in accordance with the SBEB Regulations and the respective resolution(s) passed in the general meeting(s) of the Company in this regard.
9. All documents referred to in the AGM Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. Wednesday, September 21, 2022. Members seeking to inspect such documents can send an email to investors@cms.com
10. Members seeking any information with regard to the accounts, are requested to write to the Company on or before September 15, 2022 through email on investors@cms.com. The same will be replied by the Company suitably.
11. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as National Electronic Clearing Service (NECS) and Electronic Clearing Service (ECS) mandates bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, 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 (“R&T Agent”), Link Intime India Private Limited. Members holding shares in physical form are requested to intimate such changes to the Company’s Registrar and Transfer Agent, Link Intime (India) Private Limited at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083 quoting their folio number. To support the ‘Green Initiative’, Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the R&T Agent in case the shares are held by them in physical form.
12. The record date for the purpose of determining the eligibility of the members entitled to Dividend subject to the approval of the members at the AGM is September 14, 2022.
13. The Securities and Exchange Board of India (“SEBI”) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company’s Registrar and Transfer Agent, Link Intime India Private Limited.
14. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote provided the votes are not already cast by remote e-voting by the first holder.
15. In terms of Rule 18 of the Companies (Management and Administration) Rules, 2014, the Company may give notice through electronic mode addressing to the person entitled to receive such e-mail as per the records of the Company or as provided by the depository, provided that the Company shall provide an advance opportunity at least once in a financial year, to the member to register their e-mail address and changes therein and such request may be made by only those members who have not got their email ID recorded or to update a fresh email ID. In view of the above, the Company hereby requests the members who have not updated their email IDs to update the same. Further, the members holding shares in electronic mode are requested to keep their email addresses updated with the Depository Participants. Members holding shares in the physical mode are also requested to update their email addresses by writing and quoting their folio numbers to the Link Intime India Private Limited, Registrar and Transfer Agent of the Company (“R&T Agent”) by email to rnt.helpdesk@linkintime.co.in or by letter addressed to Ms. Monali Nagwekar, Link Intime India Private Limited, Unit. CMS Info Systems Limited, C 101, 247 Park, L.B.S. Marg Vikhroli (West), Mumbai 400083 Maharashtra or to the Company by email at investors@cms.com or by letter addressed to the Company at, T-151, Tower No. 10, Railway Station Complex, 5th Floor, Sector-11, CBD Belapur, Navi Mumbai, Maharashtra, 4000614.
16. In compliance with the MCA Circulars and the SEBI Circulars, the Notice of the AGM along with the Annual Report for the Financial Year 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice of the AGM and the Annual Report for the Financial Year 2021-2022 will also be available on the Company’s website www.cms.com, websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at www.evoting.nsdl.com

17. In case any member requires physical copy of Annual Report and AGM Notice for the financial year 2021-22, he/she may send a request to the Company at investors@cms.com.

18. As per the Income Tax Act, 1961 ("IT Act"), dividends paid or distributed by the Company after 1st April, 2020, 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 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 email communication will be sent to the 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 are available on the Company's website at www.cms.com. The resident and non-resident shareholders should send the scanned copies of the requisite documents to Link Intime India Private Limited at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083 on or before Friday, September 9, 2022 to enable the Company to determine the appropriate TDS/ withholding tax rate, as may be applicable. The resident individual shareholders also have an option to upload the exemption documents directly at <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before 9th September 2022. With respect to the payment of Dividend, the Company will provide the facility of remittance of Dividend amount electronically through National Automated Clearing House (NACH) to all members holding shares in electronic and physical form.

19. Final dividend for the financial year ended March 31, 2022, as recommended by the Board of Directors, if approved by the members at the AGM, will be paid on or after Wednesday, September 21, 2022, 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 the Record date Wednesday, September 14, 2022.

Attendance at the AGM:

Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting

credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members 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. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members 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.

Members are encouraged to join the Meeting through Laptops for better experience.

Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

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.

Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker and may send their request mentioning their name, demat account number/folio number, email id, mobile number at investors@cms.com by Monday, September 19, 2022, 05:00 p.m. (IST). Please note, no shareholder would be allowed to register himself / herself as a speaker after the said date and time.

Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account

number/folio number, email id, mobile number at investors@cms.com by Thursday, September 15, 2022, 05:00 p.m. (IST). The same will be replied by the Company suitably.

Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. However, the Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

20. Remote e-voting:

1. In compliance with the provisions of Section 108 of the Act, read with the corresponding rules, and Regulation 44 of the SEBI (Listing Regulations), the Company is pleased to provide a facility to its members to exercise their votes electronically through the electronic voting ("e-voting") facility provided by the National Securities Depository Limited ('NSDL'). NSDL would provide its facility for casting votes by the members during the e-voting period as well as during the AGM. Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions for E- voting section which forms part of this Notice.
2. The remote e-voting period commences on Sunday, September 18, 2022 (09:00 a.m. IST) and ends on Tuesday, September 20, 2022 (05:00 p.m. IST). During this period, members holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on Wednesday, September 14, 2022 may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on Wednesday, September 14, 2022.
3. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. Wednesday, September 14, 2022, may obtain the login ID and password by sending a request at

evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. **1800 1020 990** and **1800 22 44 30**. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Wednesday, September 14, 2022 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

4. Instructions and other information relating to remote e-voting:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:





In order to increase the efficiency of the e-voting process, SEBI vide its circular SEBI/HO/CFD/CMD/CIR/2020/242 dated 9th December, 2020 had enabled e-voting to all the demat account holders by way of a single login credential through their demat accounts/ website of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the e-voting service provider thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in evoting process.

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 shareholders holding securities 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 email 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.	<ol style="list-style-type: none"> 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 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 meeting. 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 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 hold 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 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 meeting. 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    
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also 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. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e- Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 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 & voting during the meeting.</p>

IMPORTANT NOTE:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

The members may note that there is a Helpdesk allocated for individual shareholders holding securities in demat mode for resolving any technical issues that may arise upon their log-ins through the Depositories i.e. log-in through NSDL or CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at Toll free nos.: 1800 1020 990 and 1800 22 44 30.
Individual Shareholders holding securities in demat mode with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

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.

How to Log-in to NSDL e-Voting website?

- 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, your Password/OTP and a Verification Code as shown on the screen.

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.

- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members 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 Members 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*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For e.g. if folio no: is CMS000**** and EVEN is 556666 then user ID is 556666CMS000***

- Password details for shareholders other than Individual shareholders are given below:
 - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - 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.
 - How to retrieve your ‘initial password’?
 - If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email 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 or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. 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) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

8. Now, you will have to click on “Login” button.

9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join 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 General Meeting is in active status.
2. Select “EVEN” of the Company to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join 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.

21. Institutional members (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. Please mention the e-mail ID of Scrutinizer with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.

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.

22. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e- voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 /1800 224 430 or send a request at evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

a. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhar Card) by email to investors@cms.com

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self- attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhar Card) to investors@cms.com

If you are an Individual shareholder 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.

b. Alternatively members may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

a. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

b. Only those Members/ shareholders, who will be present in the AGM through VC/ OAVM facility and have not casted 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 in the AGM.

c. Members 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.

d. In case of any grievances connected with the facility for e-Voting on the day

of the AGM please send a request to Ms. Pallavi Mhatre, Sr. Manager at NSDL evoting@nsdl.co.in

23. Other instructions:

1. The Board of Directors have appointed M/s. M Siroya & Company, Practicing Company Secretaries as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process 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 in the presence of at least two witnesses not in the employment of the Company and shall submit within two working days from the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and 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 by the Chairman or a person authorised by him in writing. The Company shall simultaneously forward the results to NSE and BSE where the shares of the Company are listed.

3. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The form can be downloaded from the Company’s website at www.cms.com. Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the RTA, Link Intime India Private Limited, in case the shares are held in physical form.

ANNEXURE - A TO THE NOTICE DATED 9th May, 2022

Information of Director seeking re-appointment at the 15th Annual General Meeting

Name of the Director	Mr. Jimmy Lachmandas Mahtani
DIN	00996110
Date of Birth	October 27, 1976
Date of Appointment	August 27, 2015
Category	Non-Executive Director
Qualification	He holds a bachelor's degree in science in business administration, triple major in finance, marketing and international business from Georgetown University.
Nature of expertise in specific functional areas and Experience	He has over 21 years of experience in private equity and investment banking. He has been associated with Baring Private Equity Asia (BPEA) since 2006 and currently serves as a managing director of private equity investment team in India. Prior to BPEA, he was associated with General Atlantic Partners (Mumbai) in the capacity of a vice president.
Terms and conditions of appointment/reappointment	Liabile to retire by rotation
Number of shares held in the Company	Nil
Remuneration to be paid	NIL
Last Drawn Remuneration	NIL
Directorship held in other Companies	<ul style="list-style-type: none"> Austin SuperHoldco, Inc. Fort Topco, Inc. Citiustech Healthcare Technology Private Limited RSP Design Consultants (India) Private Limited Sion Investment Holdings Pte. Limited Global Content Alpha Partners Holdco Pte. Limited
Memberships / Chairmanships of Committees of other Companies	Citiustech Healthcare Technology Private Limited <ul style="list-style-type: none"> Compensation Committee - Member CSR Committee - Member Finance Committee - Member Nomination & Corporate Governance Committee - Member
Listed entities from which the Director has resigned in the past three years	Hexaware Technologies Limited – Ceased to be Director w.e.f. 10-11-2021
Skills and capabilities required for the role and the manner in which the proposed Independent Director meets such requirements	Not Applicable
Relationships between Directors inter-se	Nil
No. of Board Meetings attended during the year	Number of Board / Committee meetings attended during financial year 2021-22 has been provided in the Corporate Governance Report which forms a part of the Annual Report.

By order of the Board of Directors
For **CMS Info Systems Limited**

Sd/-
CS Praveen Soni
Company Secretary & Compliance Officer
Membership No.: FCS 6495

Place: Mumbai
Date: 9th May, 2022
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, CEO & Whole Time Director

Mr. Tapan Ray
Non-Executive Independent Director

Mrs. Manju Agarwal
Non-Executive Independent Director

Ms. Sayali Karanjkar
Non-Executive Independent Director

Mr. Jimmy Lachmandas Mahtani
Non-Executive Director

Mr. Ashish Agrawal
Non-Executive Director

Mr. Krzysztof Wieslaw Jamroz
Non-Executive Director

CHIEF FINANCIAL OFFICER

Mr. Pankaj Khandelwal

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Praveen Soni

REGISTERED OFFICE

CMS Info Systems Ltd, CIN: L45200MH2008PLC180479
T-151, 5th Floor Tower No. 10,
Railway Station Complex, Sector-11,
Cbd Belapur, Navi Mumbai – 400614
022-48897400
Email id: investors@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: 011748
Firm registration number: 101248W /W-100022

INTERNAL AUDITORS

Grant Thornton Bharat LLP
11th Floor, Tower II,
One International Center,
S B Marg, Prabhadevi (W),
Mumbai - 400 013 Maharashtra, India
Email : Nittin.Arora@IN.GT.COM

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 28706523/24; 28546523(D);
E-mail: siroyam@gmail.com
Website: www.msiroya.com

REGISTRAR AND TRANSFER AGENT

Link Intime India Private Limited
C-101, 247 Park L.B.S Marg, Vikhroli (West)
Mumbai 400 083, Telephone: +91 22 4918 6200
Investor grievance e-mail: cmsinfo.ipo@linkintime.co.in/rnt.
helpdesk@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
Mrs. Manju Agarwal
Mr. Ashish Agrawal

Nomination and remuneration committee

Mr. Tapan Ray
Mr. Jimmy Lachmandas Mahtani
Mrs. Manju Agarwal

Stakeholders Relationship Committee

Mr. Tapan Ray
Mr. Rajiv Kaul
Mrs. Shyamala Gopinath
Mr. Krzysztof Wieslaw Jamroz

Risk Management Committee

Mrs. Shyamala Gopinath
Mr. Ashish Agrawal
Mr. Krzysztof Wieslaw Jamroz
Mr. Tapan Ray
Mr. Pankaj Khandelwal

Corporate Social Responsibility Committee

Mr. Rajiv Kaul
Mrs. Shyamala Gopinath
Mr. Krzysztof Wieslaw Jamroz
Ms. Sayali Karanjkar



REGISTERED OFFICE

CMS Info Systems Limited
T-151, 5th Floor Tower No. 10,
Railway Station Complex, Sector-11,
CBD Belapur, Navi Mumbai - 400614
022-48897400
Email id: investors@cms.com
www.cms.com
CIN: L45200MH2008PLC180479