

Board's Report

Dear Members,

Your Directors (**"The Board"/"Board of Directors"**) take pleasure in presenting the Eighteenth Annual Report of **CMS Info Systems Limited ("the Company" or "CMS")** together with the Audited Standalone and Consolidated Financial Statements for the financial year ended March 31, 2025.

FINANCIAL HIGHLIGHTS

Summary of the Company's financial performance on Standalone and Consolidated basis during the financial year ended March 31, 2025 was as follows:

Particulars	Standalone		Consolidated	
	2025	2024	2025	2024
	(₹ in Million)			
Revenue from Operations	22,229.03	20,468.38	24,245.32	22,646.77
Total Expenditure	18,243.11	16,657.92	19,773.75	18,316.33
Net Profit Before tax	4,404.14	4,588.69	4,978.39	4,670.59
Profit for the year	3,288.83	3,542.18	3,724.57	3,471.41
Equity Share Capital	1,643.65	1,627.62	1,643.65	1,627.62
Other Equity	20,019.70	17,263.68	21,021.49	17,839.97
Net Block	7,503.60	7,270.26	8,673.50	8,358.81
Net Current Assets	9,892.52	9,542.01	11,189.60	10,665.56
Earnings per Share				
(Basic) (in ₹)	20.12	22.67	22.79	22.22
(Diluted) (in ₹)	19.75	21.82	22.36	21.39

During the financial year 2024-25, the Company was successful in registering a healthy business performance despite facing strong headwinds in some of its core businesses.

On a Consolidated basis, the Company's revenue from operations stood at ₹ 24,245.32 Million, representing an increase of 7.06 % over FY24. The Company also reported an improved Consolidated Profit before Tax of ₹ 4,978.39 Million as compared to ₹ 4,670.59 Million in FY24. Consolidated Net profit also improved to ₹ 3,724.57 Million for the FY25, higher by 7.29 % over FY24.

On a Standalone basis, the Company's revenue from operations stood at ₹ 22,229.03 Million representing an increase of over 8.60 % from the previous year. However, the Profit before Tax was ₹ 4,404.14 Million as compared to ₹ 4,588.69 Million in FY24 due to lower dividend from its Wholly Owned Subsidiary. Consequentially, the Standalone Net profit also stood at ₹ 3,288.83 Million in 2024-25 as against ₹ 3,542.18 Million in 2023-24.

The basic EPS of the Company on a Consolidated basis was ₹ 22.79 while diluted EPS was ₹ 22.36. On a Standalone basis the basic EPS stood at ₹ 20.12 for the financial year ended March 31, 2025 and diluted EPS stood at ₹ 19.75.

BUSINESS OVERVIEW /COMPANY'S PERFORMANCE

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

CMS operates in two major business segments:

1. Cash Logistics
2. Managed Services and Technology

CASH LOGISTICS

We continue to see healthy growth in volume as well as realizations across all our Cash Logistics Business. In FY25, CMS recorded its highest-ever annual cash volumes handled of ₹ 14 Trillion, reflecting a robust year-on-year growth of 5%. Our physical reach also expanded significantly, with an approximate 10% increase in business points from 1,37,000 as of March 2024 to 1,50,000 as of March 2025. These metrics underscore the continued relevance and resilience of cash in India's payment ecosystem, even amidst rapid digital adoption.



MANAGED SERVICES AND TECHNOLOGY

Our Managed Services and Technology Business, which was incubated a decade ago, was built on the strong foundation of CMS's leadership in the Cash Logistics space. Over the years, we have progressively expanded our capabilities across software solutions, banking automation, and ATM-as-a-Service, positioning ourselves as one of the few truly integrated players in the industry ecosystem.

The Segment maintained strong momentum in FY25, with order wins exceeding ₹ 12,000 Million, the majority of which comprised recurring services revenue. We have also deepened our presence in the private banking segment, with private sector banks accounting for approximately 60% of our total wins during the financial year 2025.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

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

DECLASSIFICATION OF SION INVESTMENT HOLDINGS PTE. LTD. AS PROMOTER OF THE COMPANY

The Company had, on December 19, 2024, received a letter pursuant to regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") from Sion Investment Holdings Pte. Ltd. ("Sion"), seeking their declassification as the "Promoter" of the Company.

Sion had already sold all the equity shares held by it in the Company on February 27, 2024. Further, Sion has not been associated with the Company in any capacity and its representatives do not participate in the management of the Company in any manner or capacity whatsoever.

Accordingly, the Board had, at their meeting held on February 5, 2025, *inter alia*, approved the declassification of Sion as the Promoter of the Company, subject to the receipt of necessary approvals/ No-Objection Certificate from the Stock Exchanges where the shares of the Company are listed.

Both the Stock Exchanges where the shares of the Company are listed, i.e. the National Stock Exchange of India Limited and BSE Limited, have granted their No Objection Letter for declassification of Sion as the Promoter of the Company on April 2, 2025.

Pursuant to proviso (a) to sub-clause (vi) of clause (a) of sub regulation (3) of regulation 31A of the SEBI Listing Regulations, the declassification of Sion as the Promoter of the Company does not require further

approval of the shareholders at a General Meeting of the Company, since they do not hold any shares in the Company. Consequently, Sion has ceased to be the Promoter of the Company with effect from April 2, 2025.

DIVIDEND DISTRIBUTION POLICY

The Company has formulated and adopted its Dividend Distribution Policy in compliance with the requirements of regulation 43A of the SEBI Listing Regulations.

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

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

DIVIDEND AND TRANSFER TO RESERVES

During the financial year 2025, the Board of Directors of the Company had in its meeting held on February 5, 2025, declared an Interim Dividend of ₹ 3.25 (32.50%) per equity share of the Company. The same was paid to all the shareholders who held shares of the Company as on the Record Date, Tuesday, February 11, 2025.

Considering strong cash and cash equivalent, the business outlook and the mid-term cash requirements of the Company, the Board, in its meeting held on May 19, 2025 declared a Special (Interim) Dividend of ₹ 3.00 (30.00%) per equity share which shall be payable to those Shareholders whose names appear in the Register of Members/ Beneficial Owners maintained by the Depositories as on Friday, May 23, 2025, which was fixed as the Record Date for the purpose of payment of Special (Interim) Dividend.

The Board has also recommended a Final Dividend of ₹ 3.25 (32.50%) per equity share for the financial year 2025, out of the Profits for the financial year ended March 31, 2025. The Final Dividend, if approved by the shareholders at the ensuing 18th Annual General Meeting of the Company ("AGM"), shall be payable to those Shareholders whose names appear in the Register of Members / Beneficial Owners as on Friday, May 23, 2025, which has been fixed as the Record Date for the purpose. The Final dividend, if approved at the ensuing AGM, shall be paid/dispatched within the statutory time limit of 30 days from the conclusion of the AGM.

Consequent to the above, the total dividend declared by the Company during the year will amount to ₹ 6.50/- per equity share on face value of ₹ 10/- each i.e., 65% and a Special Dividend of ₹ 3.00 per equity share on face value of ₹ 10/- each i.e. 30% for the financial year ended March 31, 2025.

The Board does not propose to transfer any amount to the General Reserves for the financial year ended March 31, 2025.

SUBSIDIARIES

As on March 31, 2025, the Company had following 6 subsidiaries:

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

The Company did not have any joint venture/associate Company(ies) as on March 31, 2025. During the year under review, none of the Companies ceased to be a subsidiary of the Company.

In compliance with section 129(3) of the Companies Act, 2013 ("the Act"), the consolidated financial statements of the Company for the FY25 prepared

in accordance with Ind AS 110-Consolidated Financial Statements and SEBI Listing Regulations is enclosed as a part of the Annual Report.

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

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

MATERIAL SUBSIDIARY

The Company has formulated a Policy for determining Material Subsidiaries in accordance with the SEBI Listing Regulations and the Policy is available on the website of the Company and can be accessed using the link: <https://www.cms.com/dashboard/uploads/policies-and-codes/policy-for-determination-of-material-subsiidiary.pdf> The Company did not have any Material Subsidiary pursuant to the said Policy, during the financial year 2025.

SHARE CAPITAL

Pursuant to the resolution passed by the shareholders of the Company in the 17th Annual General Meeting of the Company held on August 6, 2024, the Authorized Share Capital of the Company was reclassified from "₹ 188,00,00,000 (Rupees One Hundred and Eighty Eight Crores) only divided into 17,30,00,000 (Seventeen Crores Thirty Lakhs) equity shares of ₹ 10/- (Rupees Ten) each and 15,00,000 (Fifteen Lakhs) 0.01 % Optionally Convertible Cumulative Redeemable Preference Shares of ₹ 100/- (Rupees One Hundred) each", to "₹ 188,00,00,000 (Rupees One Hundred and Eighty Eight Crores) only divided into 18,80,00,000 (Eighteen Crores Eighty Lakhs) equity shares of ₹ 10/- (Rupees Ten) each".

The paid-up share capital of the Company was ₹ 1,643,650,410/- divided into 164,365,041 equity shares of ₹ 10/- each, as on March 31, 2025.

During the year under review, the paid-up equity share capital of the Company has increased from ₹ 1,627,622,910/- to ₹ 1,643,650,410/- consequent to issue and allotment of additional equity shares under Employee Stock Option Plans (ESOP) of the Company to the eligible employees. The details of allotment made during the financial year 2025 are as under:

Sr. No.	Particulars of allotment of equity shares	Number of Shares	Date of Allotment	Cumulative number of Shares
	Equity share capital as on April 1, 2024			162,762,291
1.	Pursuant to exercise of options	420,845	September 3, 2024	163,183,136
2.	Pursuant to exercise of options	1,181,905	November 9, 2024	164,365,041
	Equity share capital as on March 31, 2025			164,365,041

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

EMPLOYEE STOCK OPTIONS

In order to align employee rewards with the Company's long-term growth and shareholder value creation and also to attract, retain and motivate the best available talent, and based on the approval of the shareholders of the Company, the following Employee Stock Option Plans, were in force during the previous financial year:



- (i) CMS CEO Stock Option Plan, 2016
- (ii) CMS Employees Stock Option Plan, 2016 and
- (iii) CMS Employees Stock Option Plan, 2023

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

Pursuant to regulation 13 of the SEBI SBEBSE Regulations, the certificate issued by the Secretarial Auditors of the Company certifying that during the previous financial year, all the aforesaid schemes have been implemented in accordance with the SEBI SBEBSE Regulations and in accordance with the resolutions passed by the shareholders of the Company shall be made available for inspection by the Shareholders during the ensuing AGM.

All Options granted under the CMS CEO Stock Option Plan, 2016 have been vested and were fully exercised during the financial year 2024-25. Further, the details, *inter alia*, prescribed under SEBI SBEBSE Regulations are available on the Company's website www.cms.com.

DEPOSITS

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

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

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

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

BORROWINGS

The Company did not have any outstanding borrowings as at the end of FY25. CMS continue to focus on managing cash efficiently and ensured that it had adequate non fund based limits (such as Bank guarantee) from Company's Bankers to facilitate smooth functioning and growth of the business.

CAPITAL EXPENDITURE

Capital Expenditure incurred during the year aggregated to ₹ 1543.37 Million.

CREDIT RATING

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

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

The Company has in place a robust process for approval of Related Party Transactions and on dealing with Related Parties. During the previous year, the Company's Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions was reviewed and updated by the Board in its meeting held on February 5, 2025, *inter alia*, to align the same with the latest applicable Laws and Regulations. The revised Policy, as approved by the Board, is available on the Company's website and can be accessed at <https://www.cms.com/corporate-governance/index>.

A vast majority of the Related Party Transactions undertaken by the Company during the previous year, were with its wholly owned subsidiaries. During financial year 2025, all the transactions undertaken by the Company with related parties were in the ordinary course of the business and on arm's length basis, the particulars of which are reported in the Notes to the Standalone Financial Statements. Further, the Company did not enter into any material contract or arrangement or transaction with any of the related parties as referred to in sub- section (1) of section 188 of the Act. Hence disclosure of Related Party Transactions as mandated pursuant to clause (h) of sub-section (3) of section 134 of the Act and rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable to the Company.

BOARD OF DIRECTORS AND BOARD COMPOSITION

As on March 31, 2025, the Board of Directors of the Company comprised of Six (6) Directors consisting of a Woman Non-Executive Chairperson, Executive Vice-Chairman & CEO, one (1) Non-Executive Non Independent Director and three (3) Independent Directors (out of which one is Woman Director). The constitution of the Board of the Company is therefore in compliance with the requirements of section 149 of the Act and regulation 17 of the SEBI Listing Regulations.

Based on the recommendation of the Nomination and Remuneration Committee, the Board had appointed Mr. Sunil Mehta (DIN: 07430460) as an Additional Director (Independent) of the Company with effect from December 6, 2024. The Board, on the recommendation of the Nomination and Remuneration Committee, had also recommended the appointment of Mr. Mehta as an Independent Director of the Company for a term of five years from the effective date of his first appointment i.e. from December 6, 2024 to December 5, 2029. Based on the aforesaid recommendations, his appointment was thereafter approved by the shareholders of the Company by way of postal ballot on February 17, 2025.

During the year under review, Mr. Jimmy Mahtani (DIN: 00996110) resigned as Non-Executive Non-independent Director of the due to his preoccupation with other professional commitments with effect from December 9, 2024. The Board places on record its sincere appreciation for the significant and valuable contributions made by Mr. Mahtani during his tenure as Directors of the Company.

Pursuant to the provisions of section 152 (6) of the Act, Mrs. Shyamala Gopinath (DIN: 02362921), Non-Executive Non-independent Director, who being longest in office, is liable to retire by rotation, and being eligible, has offered herself for re-appointment. In view of the valuable contributions made by Mrs. Gopinath during her past association with the Company, the Board recommends the re-appointment of Mrs. Gopinath as a Non-Executive Non-independent Director of the Company, whose office shall be liable for determination by way of retirement of Directors by rotation.

Subsequent to the closure of the financial year, based on the recommendation of the Nomination and Remuneration Committee, the Board has appointed Mr. Vishnu Jerome (DIN: 05325285) as an Additional Director (Independent) of the Company with effect from April 4, 2025. The Board, on the recommendation of the Nomination and Remuneration Committee, has also recommended the appointment of Mr. Jerome as an Independent Director of the Company for a term of three years from the effective date of his first appointment i.e. from April 4, 2025 to April 3, 2028.

Further, Mr. Tapan Ray (DIN: 00728682) has retired as an Independent Director of the Company on conclusion of his second term on April 8, 2025. The Board places on record its sincere appreciation for the significant and valuable contributions made by Mr. Ray during his tenure as Independent Director of the Company.

Other than the above, there was no change in the composition of Board of Directors during financial year 2025.

On the basis of the written representations received from the Directors, none of the above Directors are

disqualified under section 164 (2) of the Act or any other applicable Laws or Regulations.

DECLARATION OF INDEPENDENCE

The Company has received declarations from all the Independent Directors confirming, *inter alia*, that they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act that they continue to meet the criteria of Independence as prescribed under section 149(6) of the Act and regulation 16(1)(b) of the SEBI Listing Regulations as amended. The Independent Directors have also confirmed that they have registered their names in the data bank maintained with the Indian Institute of Corporate Affairs.

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

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

PERFORMANCE EVALUATION

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

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

The performance evaluation of the Non-independent Directors including the Chairperson of the Company and performance of the Board as a whole was also discussed at the separate meeting of the Independent Directors held on March 26, 2025.

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

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Policy on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and



other matters provided under section 178(3) of the Act forms part of the Nomination and Remuneration Policy of the Company. A copy of the Policy is available on the website of the Company and can be accessed at <https://www.cms.com/corporate-governance/index>

MEETINGS OF BOARD OF DIRECTORS

During the financial year 2025, five (5) meetings of the Board of Directors of the Company were held on the following dates:

1. April 18, 2024
2. May 15, 2024
3. July 24, 2024
4. October 25, 2024
5. February 5, 2025

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

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

AUDIT COMMITTEE

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

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2025 were as under:

- Mr. Rajiv Kaul, Exec. VC & CEO
- Mr. Pankaj Khandelwal, President & Chief Financial Officer
- Mr. Debashis Dey, Company Secretary & Compliance Officer

During the year under review there was no change in the Key Managerial Personnel of the Company.

PARTICULARS OF EMPLOYEES

Disclosure pertaining to remuneration and other details as required under section 197 (12) of the Act,

read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Boards Report as **Annexure 2**.

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

COMPLIANCE WITH SECRETARIAL STANDARDS

During the financial year 2025, the Company has duly complied with the applicable mandatory Secretarial Standards i.e. SS-1 relating to "Meetings of the Board of Directors" and SS-2 relating to "General Meetings" issued by the Institute of Company Secretaries of India.

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of clause B of Schedule V read with regulation 34 of SEBI Listing Regulations, a separate section on Management Discussion and Analysis Report for the financial year 2025, is appended to this Board's Report.

CORPORATE GOVERNANCE

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

A separate section on Corporate Governance stipulated under clause C of schedule V read with regulation 34 of SEBI Listing Regulations forms part of this Boards Report.

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

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to section 135 of the Act read with rule 5 of Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board has constituted a Corporate Social Responsibility (CSR) Committee. Mr. Rajiv Kaul, Exec. VC & CEO is the Chairman of CSR Committee and Mrs. Shyamala Gopinath, Ms. Sayali Karanjkar and Mr. Krzysztof Wieslaw Jamroz are presently the members of the CSR Committee.

The CSR Committee has formulated a CSR Policy and has approved the activities undertaken by the Company during financial year 2025 on various projects covered under Schedule VII to the Act. For further details regarding the CSR Committee, please refer to the Report on Corporate Governance, which forms a part of this Report.

During the year under review, the Company was required to spend an amount of ₹68.35 Million (2% of the average net profit of the last three financial years as determined under section 198 of the Act) on CSR activities against which the Company has spent ₹66.31 Million on various CSR activities during the year. The Company holds ₹2.71 Million as unspent CSR amount, earmarked for identified ongoing CSR projects, which are yet to meet the pre-determined milestones for disbursement. In compliance with section 135(6) of the Act, the Company has opened and deposited the aforesaid unspent amount in a separate bank account within the specified time limit as required.

The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are detailed in CSR Report which forms part of this Report as **Annexure 3** in the format prescribed under Companies (Corporate Social Responsibility Policy) Rules, 2014.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Pursuant to regulation 34 (2)(f) of the SEBI Listing Regulations, the Business Responsibility and Sustainability Report for the financial year ended March 31, 2025, describing the initiatives taken by the Company from an environmental, social and governance perspective is given in a separate annexure and forms part of the Annual Report of the Company. The said Report is also available on the Company's website and can be accessed at www.cms.com.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has put in place a robust internal financial control system commensurate with the size of its operations. The Internal Control Systems of the Company comprises of policies and procedures which are designed to ensure sound management of the Company's operations, safe keeping of its assets, prevention and detection of frauds and errors, optimal

utilization of resources, reliability of its financial information and compliance. Systems and procedures are periodically audited and also reviewed by the Audit Committee to maintain the highest standards of Internal Control.

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

RISK MANAGEMENT

The Company has devised and adopted a Risk Management Policy and implemented mechanisms for periodic risk assessment and management. The Policy, *inter alia*, provides for constitution of a Risk Management Committee, Risk Philosophy and Risk Management Framework for the Company. The Policy also details the Risk Management Organization and the Risk Management Process of the Company from Risk identification and assessment to development of Risk response and Risk Reporting. The Policy also emphasizes the need for a robust business continuity plan that covers all aspects of its operations.

A copy of the Risk Management Policy is placed on the website of the Company. The Company has also constituted a Risk Management Committee in compliance with the requirements of regulation 21 of the SEBI Listing Regulations. For further details regarding the Risk Management Committee, please refer to the Report on Corporate Governance, which is forming part of this report.

STATUTORY AUDITORS AND AUDITORS' REPORT

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

SECRETARIAL AUDITOR AND THEIR REPORT

In terms of the provisions of the section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s M. Siroya and Company, Practicing Company Secretaries (CP No. 4157), as the Secretarial Auditor for conducting the Secretarial Audit of the Company for the financial year ended March 31, 2025 and to furnish the report to the Board.

The report of the Secretarial Auditor for the financial year 2024-25, in prescribed Form No. MR-3 is annexed herewith as **Annexure 1**.



Pursuant to section 204 of the Act, regulation 24A of the SEBI Listing Regulations and the recommendation made by the Audit Committee, the Board of Directors of the Company, have in their meeting held on May 19, 2025, recommended the appointment of M/s Siroya and BA Associates, Company Secretaries (Firm Registration no. P2019MH-074300) as the Secretarial Auditors of the Company for a term of five years with effect from the financial year 2025-26.

Proposal seeking approval of the shareholders for the aforesaid appointment forms a part of the Notice convening the 18th Annual General Meeting of the Company.

QUALIFICATIONS / RESERVATIONS IN THE AUDIT REPORT & SECRETARIAL AUDIT REPORT

None of the said Audit Reports contain any qualification, reservation or material adverse remarks. However, there was a delay in submission of two forms with MCA during the previous financial year due to inadvertence.

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

COST AUDIT

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

Notwithstanding the above and with an object to setting up a robust cost record maintenance system in anticipation of expansion in the manufacturing business in the future, the Board of Directors, on the recommendation of the Audit Committee, have re-appointed M/s. S K Agarwal & Associates, Cost Accountants, Mumbai having Firm Registration No. 100322 for conducting the audit of Cost records maintained by the Company for financial year 2026, subject to the ratification of the remuneration payable to them by the shareholders of the Company pursuant to section 148(3) of the Act read with rule 14 of the Companies (Audit and Auditors) Rules, 2014. The Cost Auditors have confirmed that their appointment is within the limits of section 141(3)(g) of the Act and that they are not disqualified from acting as Cost Auditors.

INTERNAL AUDIT

Pursuant to the provisions of section 138 of the Act read with rule 13 of the Companies (Accounts) Rules, 2014, and on the recommendation of the Audit Committee at their meeting held on July 24, 2024, M/s. Grant Thornton Bharat LLP, were appointed by the Board of Directors to conduct internal audit of the Company for the financial year 2024-25. Necessary actions were initiated by the management wherever suggested by the Internal Auditors for further strengthening of the internal controls of the Company. The Audit findings were directly reported by the Internal Auditors to the Audit Committee.

REPORTING OF FRAUDS

In view of the nature of business of the Company, which involves handling substantial cash volumes of ~ ₹ 14 Lakhs Crores per annum, CMS is inherently exposed to various security risks, including armed robbery, theft, fraud, and embezzlement. The Company is managing ~150K ATM + Retail touch points and over 97% districts of India. Consequently, during the previous financial year, certain incidences of cash embezzlements by few employees, who were involved in business operations of the Company, were detected as detailed below:

There were 28 instances of cash embezzlements aggregating to ₹ 217.22 Million reported during FY 25 (FY24: ₹ 120.53 Million).

Out of the above, the Company has recovered ₹ 31.96 Million (FY24: ₹ 52.59 Million), and ₹ 24.88 Million has been written off (FY24: ₹ 22.65 Million).

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

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

VIGIL MECHANISM / WHISTLE - BLOWER POLICY

The Company has put in place a Whistle-Blower Policy and has established the necessary Vigil Mechanism for Directors and employees, to report their genuine concerns about unethical behavior in terms of section 177(9) of the Act and regulation 22 of SEBI Listing Regulations. During the financial year 2025, no complaint was received by the Company under the Whistle Blower Policy.

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

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

CMS gives prime importance to the dignity and respect of each of its employees irrespective of their

gender/hierarchy and expect responsible conduct and behavior on the part of employees at all levels.

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

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

The Company has constituted Internal Complaints Committee (ICC) as mandated under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Allegations of Sexual harassment reported are expeditiously and discreetly investigated by the ICC and disciplinary action, if required or recommended by the ICC, is taken in accordance with the Policy.

There was no complaint of sexual harassment received by the Company during the financial year 2024-25.

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

(A) Conservation of energy:

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

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

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

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

The Company is introducing a "green fleet" vehicles in various cities in a phased manner by shifting from Diesel to BS VI compliant CNG engines and integrating the same into the overall cash management services. Thereby transitioning to clean fuels, which will help the Company to reduce its Scope 3 Green House Gas ("GHG") Emissions.

(iii) the capital investment on energy conservation equipments:

During the year the Company leveraged the existing infrastructure for energy conservation and did not incur any additional capital investment on the same. However, the Company is constantly evaluating meaningful investment opportunities for energy conservation and feasibility studies.

(B) Technology absorption-

(i) the efforts made towards technology absorption:

- The Company utilizes BS-VI certified security vans to facilitate transportation of cash as "Cash Carry Vans" for providing cash management services which are compliant with the directives of Ministry of Home Affairs (MHA) and the Reserve Bank of India (RBI).
- The Company utilizes Vision AI Solution to reduce and monitor the energy consumption of AC and its facilities. The use of motion sensors and relays result in optimization of energy used, consequently reducing GHG emissions.
- Additionally, the Company has installed sensor-based light switches in workstations and washroom areas and replaced all CFL lighting with LEDs in offices to reduce energy consumption, consequently reducing GHG emissions.

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

Purchase of new environment friendly vehicles have resulted in the following benefits:

- 1) Engines compliant with BS-VI norms will reduce nearly 25% of Nitrogen Oxide (NOx) emission in petrol vehicles and a substantial 70% in diesel vehicles.
- 2) Technological upgrades have been made with extensive field tests in Indian driving conditions.
- 3) The newly acquired vehicle engines have an advanced exhaust and increased durability.
- 4) The BS-VI compliant engine ensures compliance with more stringent limits on Non-Methane Hydrocarbon (NMHC) emissions.
- 5) The vehicles also features On-Board Diagnostics (OBD) systems which facilitates monitoring pollution levels.
- 6) Real Driving Emission (RDE) in the Vehicles aids in checking emission in real-world conditions and not just testing conditions.



- 7) The new BS-VI compliant vehicles also come with Diesel Particulate Filter (DPF) and the Selective Catalytic Reduction (SCR) which will now monitor the emission levels (not present in the earlier BS-VI vehicles).

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

NA

(iv) the expenditure incurred on Research and Development:

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

During financial year 2025, further incremental improvement was incorporated in the solution.

(C) Foreign Exchange Earnings and Outgo

The Company operates only in the domestic market hence does not earn in foreign currency. The particulars of earnings and expenditures in foreign currency during the financial year 2025 are as detailed below:

Foreign Exchange Earnings (in ₹ Million) – Nil

Foreign Exchange Outgo (in ₹ Million) – ₹ 2397.10 Million

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, 2025, the applicable Accounting Standards had been followed and no material departures have been made for the same;
- b) we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on March 31, 2025 and of the profit and cash flow of the Company for the period ended March 31, 2025;
- c) we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) we have prepared the annual accounts for the year ended March 31, 2025 on a going concern basis;
- e) we have laid down internal financial controls and the same have been followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) we have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

OTHER STATUTORY DISCLOSURES:

• **Annual Return**

Pursuant to section 134(3)(a) and section 92(3) of the Act read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, a copy of the Annual Return for the financial year 2024-25 in Form MGT-7 is available on the website of the Company and can be accessed at www.cms.com.

• **Investor Education and Protection Fund:**

The Company was not required to transfer any amount to the Investor Education and Protection Fund under section 125 of the Act during financial year 2025.

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

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

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

There was no application made or any proceeding pending under IBC against the Company during the financial year 2024-25.

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

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

CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion and Analysis 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 takes this opportunity to thank and express its sincere gratitude to all the stakeholders of the Company viz., shareholders, customers, vendors, bankers, business associates, regulatory authorities, Central and State Government departments, local authorities and the society at large for their consistent support and co-operation to the Company during the financial year.

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

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

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

Shyamala Gopinath

Chairperson

(DIN: 02362921)

Rajiv Kaul

Exec. VC & CEO

(DIN: 02581313)

Place: Mumbai

Date: May 19, 2025



Annexure 1

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[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 of good corporate practices by CMS Info Systems Limited (hereinafter called the “Company”/“CMS”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2025, 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, 2025 according to the relevant and applicable provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder, as may be applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment in India; The provisions of Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company during the Financial Year;

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

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;
 - c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR');
 - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable during the Financial Year);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable during the Financial Year);
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable during the Financial Year);
 - i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable during the Financial Year); and
- (vi) Based on the representations and confirmations made by the Company we state that the Company is operating in the business of providing ATM and Cash Management Services and there are no laws

specifically applicable in relation to the business of the Company.

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India ("ICSI"), as amended from time to time; and
2. The Equity Listing Agreements entered by the Company with BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE').

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

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

- (i) Labour Laws and other incidental laws related to employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
- (ii) Acts as prescribed under Direct Tax and Indirect Tax;
- (iii) Stamp Acts and Registration Acts of respective States;
- (iv) Labour Welfare Act of respective States; and
- (v) Such other Local laws as may be applicable in respect of various offices of the Company.

We further report that the Board of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors. The following changes in the composition of the Board that took place during the year under review were carried out in compliance with the provisions of the Act:

Name of the Director/Key Managerial Personnel of the Company	Designation	Appointment/Re-appointment/ Resignation	Date of Appointment/ Cessation
Mr. Sunil Mehta	Additional Director	Appointment	December 06, 2024
Mr. Jimmy Mahtani	Non-Executive & Non-independent Director	Resignation	December 09, 2024
Mr. Sunil Mehta	Non-Executive & Independent Director	Appointment	February 17, 2025

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 except for the Unpublished Price Sensitive Information which were, pursuant to clause no. 1.3.7 of Secretarial Standard 1 ("SS-1"), circulated separately or placed at the Meetings of the Board and the Committees, after due compliance with the SS-1, and in certain cases where the 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 the applicable Laws, Acts, Rules, Regulations, Circulars, Notifications, Directions and Guidelines.

We further report that during the audit period has undertaken following events/actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Acts, Rules, Regulations, Circulars, Notifications, Directions, Guidelines, Standards, etc. referred to above:

- (i) The members at the Annual General Meeting held on August 6, 2024, *inter alia*, approved the following:
 - a) Re-classification of Authorized Share Capital and consequent Alteration in Clause V of Memorandum of Association of the Company;
 - b) Amendment to the Articles of Association of the Company.



- (ii) The Board of Directors at their meeting held on February 5, 2025 inter-alia approved de-classification of Sion Investment Holdings Pte. Limited as the Promoter of the Company. Both Stock Exchanges have granted it No Objection Letter for de-classification of Sion Investment Holdings Pte. Ltd. ('Sion') as the Promoter of the Company on 2nd April, 2025. Consequently, Sion Investment Holdings Pte. Limited has ceased to be the Promoter of the Company with immediate effect.

For **M Siroya and Company**
Company Secretaries

Mukesh Siroya

Proprietor

FCS No.: 5682

CP No.: 4157

ICSI Unique Code: S2003MH061300

PR No: 1075/2021

UDIN: F005682G000374556

Date: May 19, 2025

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 Accounts of the Company.
4. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the Corporate and other applicable laws, 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

ICSI Unique Code: S2003MH061300

PR No: 1075/2021

UDIN: F005682G000374556

Date: May 19, 2025

Place: Mumbai



Annexure 2

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 2024-2025
Executive Directors		
Mr. Rajiv Kaul ¹	196.14	17%
Non-Executive Independent Directors		
Mr. Tapan Ray	3.73	16 %
Mrs. Sayali Karanjkar	3.73	16%
Mr. Sunil Mehta	1.10	NA
Non-Executive Non-independent Directors		
Mrs. Shyamala Gopinath	3.73	16%
Mr. Jimmy Lachmandas Mahtani	Nil	NA
Mr. Krzysztof Wieslaw Jamroz	3.73	16%
Chief Financial Officer		
Mr. Pankaj Khandelwal ¹	NA	12 %
Company Secretary		
Mr. Debashis Dey	NA	NA

Notes:

- Excludes cost & perquisite value of stock options.
- The percentage increase in the median remuneration of the employees in the financial year.**
There was increased by 10.91 % in the median remuneration of employees in Financial Year 2024-2025.
- The number of permanent employees on the rolls of the Company.**
There were 638 permanent employees on the rolls of the Company as on March 31, 2025.
- Average percentage increase already made in the salaries of employees other than the managerial personnel (KMPs) in FY 2024-25 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 8.46 % as against an average annual percentage increase of 11.53 % to KMPs.
- 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 and Remuneration policy of the Company.

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

Shyamala Gopinath
Chairperson
(DIN: 02362921)

Rajiv Kaul
Exec. VC & CEO
(DIN: 02581313)

Place: Mumbai
Date: May 19, 2025

Annual Report on Corporate Social Responsibility (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:

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

The main objective of our CSR policy is:

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

The scope of the CSR activities of the Company, *inter alia*, covers the following key areas 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 centers 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, Para Olympics 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
11. Such other tasks and projects as it may deem fit to fulfil the need of the society, including any other projects as may be approved by the Government of India or the State and the Act.

The Company has also incorporated CMS Info Foundation under section 8 of the Act i.e. Non-Profit Organization to carry out various CSR activities. Going forward, it is proposed to engage CMS Info Foundation for undertaking/ managing bulk of the CSR activities of the CMS Group.



2. COMPOSITION OF THE CSR COMMITTEE AS ON MARCH 31, 2025:

Sr. No.	Name of Director	Designation/ Nature of Membership	Number of Meetings of CSR Committee held during the year FY 2024-25	Number of meetings of CSR Committee attended during the year
1.	Mr. Rajiv Kaul	Chairman	2	2
2.	Mrs. Shyamala Gopinath	Member	2	2
3.	Ms. Sayali Karanjkar	Member	2	1
4.	Mr. Krzysztof Wieslaw Jamroz	Member	2	2

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

- The composition of the CSR Committee is also disclosed on our website, at:
<https://www.cms.com/board-of-directors>
- CSR Policy is available on our website, at:
<https://www.cms.com/corporate-governance/index>
- The areas where CSR Projects are undertaken by the Company is available on our website at :
<https://www.cms.com/cms-foundation>

4. EXECUTIVE SUMMARY OF IMPACT ASSESSMENT OF CSR PROJECTS:

Rule 8 (3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, mandating impact assessment of various CSR Projects, is not applicable to the Company.

However, in order to determine the results of the “Lake Rejuvenation Project” in Karnataka which was undertaken by the Company in collaboration with an implementing partner - “Manuvikasa”, the Company had appointed NuSocia, an independent impact advisory firm to undertake an impact assessment for the above Project.

The Report, *inter alia*, concluded that Project successfully restored 26 lakes across four districts-Uttara Kannada, Haveri, Dharwad, and Shivamogga in Karnataka through desiltation, infrastructure repair, and community engagement to improve water storage capacity, agricultural productivity and groundwater recharge. The Project thereby benefitted 3342 acres of farmland covering 842 farmers by creating an 181441 cubic meters of additional water storage capacity.

The Lake Rejuvenation program demonstrated substantial positive impacts on the ecological, social, and economic dimensions of the target communities. By addressing critical issues such as groundwater depletion, soil erosion, and siltation, the program has significantly improved water availability and agricultural productivity. The participatory approach ensured strong community ownership, which is essential for the sustainability of the program's benefits.

Key ecological impacts from the Project include increased water storage capacity, enhanced groundwater recharge, and improved soil fertility. Socially, the program has empowered local farmers with knowledge and sustainable practices, reduced migration, and increased the availability of domestic water. Economically, the program has boosted agricultural yields and diversified livelihoods, leading to higher incomes and improved food security.

5. CSR OBLIGATIONS:

- Average net profit of the company as per sub-section (5) of section 135:
₹ 3,417,460,946/-
- Two percent of average net profit of the company as per sub-section (5) of section 135:
₹ 68,349,219/-
- Surplus arising out of the CSR Projects or programs or activities of the previous financial years:
Nil
- Amount required to be set-off for the financial year, if any:
Nil
- Total CSR obligation for the financial year [(b)+(c)-(d)]:
₹ 68,349,219/-

6. CSR EXPENSES:

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

₹ 64,991,266/-

b) Amount spent on Administrative Overheads:

₹ 3,417,461/-

c) Amount spent on Impact Assessment, if applicable:

₹ 6,10,000/-

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

₹ 69,018,727/-

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

Total amount spent for the financial year (in ₹)	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount (in ₹)	Date of transfer	Name of Fund	Amount (in ₹)	Date of transfer
66,306,578	2,712,149	April 29, 2025	NA	NA	NA

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

₹ 669,508/-

7. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	2021-22	-	-	-	-	-	-	-
2	2022-23	8,713,149	-	-	-	-	-	-
3	2023-24	18,684,391	18,684,391	18,684,391	-	-	Nil	-

8. CREATION / ACQUISITION OF CAPITAL ASSETS:

(a) Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

No

(b) If yes, enter the number of Capital assets created/ acquired: Not Applicable

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

9. REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SUB-SECTION (5) OF SECTION 135:

Not Applicable

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

Rajiv Kaul
Exec. VC & CEO
Chairman of CSR Committee
DIN: 02581313