mint Premium | NEWS

CMS Info Systems bets on tech and payment solutions to drive next growth phase

Anshika Kayastha | 5 min read | 7 Aug 2026, 03:04 PM IST


Rajiv Kaul, executive vice-chairman and chief executive, CMS Info Systems.

SUMMARY

The company aims to double its tech unit's revenue share to over 20% by FY30 by expanding AI surveillance and payment solutions into retail, quick commerce, and EV charging.

Mumbai: Having established a strong foothold in logistics and cash management, CMS Info Systems is placing its next big growth bet on technology and payments infrastructure solutions, according to executive vice chairman and chief executive Rajiv Kaul.

The vertical has posted a 25-30% compound annual growth rate (CAGR) over the past five years and grew 15% in FY26. "It can grow at a 20% CAGR over the next 4–5 years. We hope it will account for more than 20% of our revenue by FY30, which would double its current contribution of around ₹370 crore," Kaul told Mint, adding that the company plans to keep adding new businesses under this segment. Revenue from the technology and payment solutions business was around ₹370 crore in FY26 or about 16% of total revenue, compared with 7% in FY22. The company's total revenue was ₹2,487 crore in FY26.

Initially started with remote monitoring solutions for banks and non-bank and gold loan companies, CMS is now growing this business beyond banking, financial services and insurance (BFSI). "We started making multiple AI modules based on problems that organisations face in their stores, warehouses or physical infrastructure. Every sector has a unique problem," Kaul said, adding that the company has built over 40 AI modules across more than 15 industries.

CMS now offers technology and payment services to quick-service restaurants (QSR), quick commerce companies, and EV charging infrastructure providers. The company offers AI surveillance and remote monitoring for retail outlets, warehouses, and ATMs. It also delivers inventory and workforce management tools, helping clients reconcile warehouse stock with sales receipts in real time, prevent cash theft, cut operational costs, and increase productivity at stores.

Under HAWKAI, its in-house AI platform that operates across the cash and non-cash business, the company offers services across more than 50,000 sites in eight sectors and 63,000 ATMs. It has a 36% market share in the BFSI segment.

As a late entrant into the segment, the company has the advantage of "technologically leapfrogging" everybody else who invested in older models, Kaul said. Paired with its extensive physical network, this technological edge enables the company to cut costs, deliver superior service, and offer more competitive pricing than its peers.

"Conceptually, we are just scratching the surface of the opportunity, having so far focused mainly on banks, which account for 80–90% of our revenue," Kaul said. He said the total addressable market for the overall technology and payments division stands at ₹800-1,000 crore, leaving substantial headroom for growth given the unit's current revenue of around ₹200 crore.

Shunning the fintech tag

Many of the company's technology solutions are built around its Vision AI guardrails platform HAWKAI, which is projected to grow 25-30% year-on-year. The platform serves both cash and non-cash operations, spanning surveillance, ATM management, and cash management data.

Despite its growing technology focus, CMS Info is cautious about being labeled a 'fintech'. "We have a technology and payment solutions business. We'll stay away from tagging ourselves, because we truly believe we're very unique. We don't know of any company in the world which has tried to spawn like this," Kaul said.

While acknowledging that diversifying into digital payments seems logical for a cash logistics provider, Kaul explained that the company chose to avoid the space because digital payments lack a path to monetization, valuations are inflated, and Indian fintech business models lack long-term viability.

"We are happy selling the shovels; we are a financial infrastructure company," Kaul told Mint. He added that the goal is to build a business anchored on "sensible foundations of cash generation, free cash flow and good margins profile" to drive sustainable, profitable growth.

The company posted a profit after tax of ₹304 crore in FY26. It is yet to declare its results for Q1FY27.

Cash logistics remains core

Physical cash logistics and management remains the core of CMS's business, accounting for roughly 60% of total revenue. The company commands a dominant position in the sector, holding a 42–45% market share in cash logistics and managing 57-60% of all ATMs nationwide.

"We have proudly built everything around our moat of our leadership in cash management and ATMs. That has been the strongest moat that gives us a physical network and a brand that works with banks," Kaul said. He added that whenever banks face a challenge, they approach CMS first, which puts the company in a "very strong position to protect and defend".

Even so, the ATM landscape is shifting, Kaul acknowledged. Pricing models are evolving, competition has thinned, and market share is being redistributed following the exit of a key competitor. AGS Transact Technologies, a major ATM management and payment service provider, faced severe financial distress and defaulted on a ₹726 crore loan in early 2025, eventually shutting down operations.

Banks are also rethinking their footprint—phasing out standalone or offsite ATMs to prioritize customer experience through digital banking units and premium branches, recognizing that physical touchpoints remain vital.

"Even as automation is becoming more important, what happens when digital processes break down? How do banks maintain their network? That's why physical distribution is our single biggest moat. It is not fashionable, but it's the single biggest moat," Kaul said, adding that the company offers ATM management services across more than 3,000 towns and cities. "A CMS arm will help get things done that nobody else can."

Given CMS's dominant market position, Kaul expects the core business to sustain 8-10% annual growth. Rather than relying on net ATM additions, this growth will be driven by stronger pricing power and a more selective approach to capital allocation, including shedding low-margin ATM contracts, he said.

Beyond ATMs, CMS is expanding into retail cash management. As digital-first platforms (like Myntra, Nykaa, and Amazon) and major QSR and restaurant chains make aggressive pushes into brick-and-mortar stores, the company sees a major new growth vector.

"Physical stores will always accept cash and digital, and so they will need a partner to manage the physical part of the currency," Kaul said, citing the example of Zomato or Blinkit, which still have a "reasonably high share" of cash acceptance. "Then they need a company and partner like CMS to handle it."