

CASHING IN ON CASHLESS INDIA

More than cash management, CMS Info Systems is creating moats around adjacencies that blend technology, trust, and scale.

BY **V. KESHAVDEV**



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WHAT'S THE HIGHEST point in Indian banking? Not metaphorically, but quite literally.

It's a tiny village called Kerey in Leh district of Ladakh, a high-altitude settlement near the Line of Actual Control with neighbouring China. The climate here is anything but normal with the mercury swinging from -10° C to 3° C on a good day. To get there, you must pass through the Namika La—a mountain pass 21,000 ft above sea level. But because of a relentless financial inclusion drive, three domestic banks have set up branches with a sprinkling of ATMs dotting the scenic Union Territory, where tourism is the big revenue driver. It's in this terrain that cash vans rumble along to keep cash in circulation between banks and ATMs, courtesy of CMS Info Systems.

As India's largest cash logistics and ATM management company, CMS services 72,000+ ATMs across 97% of the country's districts. In Uttarakhand, it airlifts currency notes to the Kedarnath temple at 11,755 ft. Every month, its fleet of 4,500 vans and mini-vans trundle over a million kilometres to ensure that from

Ladakh to Kanyakumari, cash keeps moving.

But here's the irony. Cash was supposed to be dead, especially in a digital payments era where, at last count, over 18 billion transactions were processed monthly through the Unified Payments Interface (UPI). The digital revolution—etched into QR codes pasted on roadside stalls and embedded in every payment app—has yet to unseat the enduring presence of Indian banknotes.

It's against this paradox that this unglamorous enterprise has grown quietly and steadily. Rajiv Kaul, who spent the early years of his career at Microsoft—eventually becoming one of its youngest country managers—joined CMS in 2009. It was, in hindsight, a contrarian bet. At the time, cash logistics was a fragmented business with little tech, little transparency, and even less investor interest. "When I finished 15 years, I asked HR how many others had done the same," Kaul says. Turns out 10% of the company's workforce had. "These are people who've grown up with the company," he says.

But the defining moment for CMS came about in 2016 when the government invalidated 86% of the nation's currency notes overnight. The announcement sent the country into a tailspin—and many assumed it would bury cash logistics once and for all. What followed was not a pivot, but a consolidation—a slow, relentless transfor-

mation that saw CMS go from regional transporter of cash to a national-scale platform, delivering not just physical currency but trust, uptime, compliance, and capital efficiency.

The numbers speak for themselves: five consecutive years of 20%+ earnings growth; RoCE of 25.1%; ₹1,850 crore in new contracts in FY24, nearly double of FY23; zero debt. That's impressive for a company that did not raise a rupee in capital when it got listed. "This business has never taken public money. It's all self-generated. That's why we are even more hardcore about how we spend it," says Kaul, the CEO of CMS, which is at No. 22 on *Fortune India's* 100 Emerging Stars list.

In an era where many founders define success through valuation, Kaul has built CMS on the less glamorous, more enduring metrics of unit economics, market share, and RoCE. "Our filters are very clear," he says. "If we're not a market leader, or can't be a profitable leader, we get out. There are companies making 5-7% Ebitda margins and still getting good valuations. That's fine for them. But for us, we aspire for 15%; 8-10% is sustainable but anything below is not worth it."

That clarity has made CMS deeply averse to distractions. While fintechs raised billions, CMS stuck to what it knew: cash movement, ATM software, and managed services. "When we got listed, a

RANK **22****CMS INFO SYSTEMS**

Net income (FY24)
₹2,265 crore

3-year CAGR
20.14%

Profit/loss (FY24)
₹347 crore

3-year CAGR
27.24%

Closing share price*
₹460.95

3-year CAGR
23%

TTM PE (x)
20.53

*Closing share price as on
March 28, 2025
TTM: Trailing 12 months

SOURCE: CAPITALINE

97%

The percentage of the country's districts covered by the 72,000+ ATMs that CMS services.

major fintech company had listed before us. That IPO unravelled a whole sector. The multiples vanished. We were relieved, in hindsight, that we didn't get tempted," says Kaul. Not overpaying also has a reason since B2B businesses in India don't yield over 7-8% Ebitda margins and if clients don't pay up before three months, working capital gets stretched. And in a country where the cost of capital is high and so is inflation, capital is clearly the king. "We don't understand adjusted Ebitda. If your business is burning cash to grow, then it's not a business. It's a hope," says Kaul.

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Despite its roots in cash, CMS today is not merely a logistics provider. It's a tech platform that straddles the entire ATM value chain—from manufacturing ATMs (at a plant in Chennai producing 2,000+ units per month), to cash replenishment, software deployment and AIoT-based remote monitoring. "We now have over 1,000 people working across tech roles between our Belapur office and our centre at Mhapa," Kaul says. And yet, it's on the field where the real strength of CMS lies, with over 15,000 personnel.

This blend of technological depth and feet-on-the-ground execution has given CMS the confidence to be choosy in its growth bets—especially when it comes to

acquisitions. CMS evaluates M&A deals every week. But very few result in action. "Unless we can bring customer access, scale, or real value—it's a no," says Kaul.

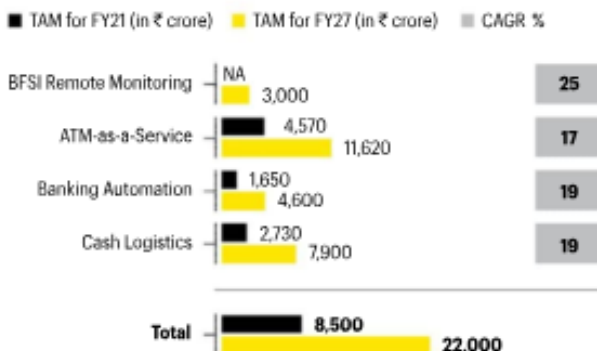
The thesis that animates CMS is simple. "We anchor ourselves to three trends," Kaul explains. "One, India's consumption story is intact. Two, formalisation continues—thanks to GST, more of the informal economy is entering banking channels. And three, banks are growing, which means more outsourcing." And as Kaul notes, the complexity of ATM compliance has increased. "There are new RBI mandates around hardware, software, customer service. Most banks don't want the headache."

As a result, CMS doesn't just handle cash. It runs ATMs, maintains uptime SLAs above 95%, and builds software systems for banks to control their entire ATM network remotely. A standout example is its deployment of multi-vendor software for SBI's 6,000 ATMs. Earlier, a simple patch update could take days, says Kaul, adding: "Now SBI controls it centrally. They probably recovered in one year what they would have paid us over a decade."

Beyond ATMs, CMS is now betting on adjacencies that extend its core. Its AIoT-based remote monitoring solutions (RMS) business—built during Covid-19—manages over 25,000 sites today and is expanding into retail and warehousing. "We

Opportunity Beckons

With newer lines of business, the company's total addressable market (TAM) is also set to grow.



*CAGR between FY21 and FY27; NOTE: Total TAM is lower than gross sum because of some overlap between cash management and BLA

SOURCE: CMS INFO SYSTEMS

didn't acquire a big brand or overpay," Kaul says. "We built our own tech, bought a small company, and then deployed capital—about ₹150 crore—to scale it."

By FY27, CMS expects this segment—alongside ATM software and surveillance—to comprise 8-10% of its revenues. It's a quasi-SaaS play with high-margin, high-retention, and deeply integrated into the company's existing ops. Prakhara Sharma, equity analyst at Jefferies, calls RMS "CMS's next leg of growth," projecting 30%+ revenue CAGR over three years as the firm leverages its superior compression algorithms, stronger encryption protocols, and integrated command centre to monitor over 500,000 connected devices. "Its AIoT platform is better than conventional micro-

processor-based systems," says Sharma, highlighting CMS's ability to offer security, energy optimisation, and remote analytics across verticals. Jefferies estimates the total addressable market for RMS solutions across ATMs, bank/NBFC branches, telecom towers, retail, and warehousing at ₹60,000-90,000 crore.

By 2030, Kaul sees CMS in the same league as CAMS, CDSL, or NSDL. Businesses that you cannot do without but offer high-cash flow. While CMS may not trend on social media, in the places that matter—in the rugged hills of Ladakh, the riverbeds of Uttarakhand, and data centres of banks—it shows up, every day, without fuss or fail. And that, in a country of 1.4 billion, might just be the most underrated kind of indispensability. ■

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ON STANDS
JUNE 2025

In a first for Fortune India, we are taking a close look at the soft power of India's entertainment industry. While the big driver is definitely Bollywood, it will look at the various dynamics at play in the Indian entertainment business. This includes regional movies; the rise of theatre; the emerging concert business; OTT and multiplexes. It will also look at the brand value of India's biggest stars; the podcast industry and the rise of gaming.

A complete deep dive into the Indian entertainment business.

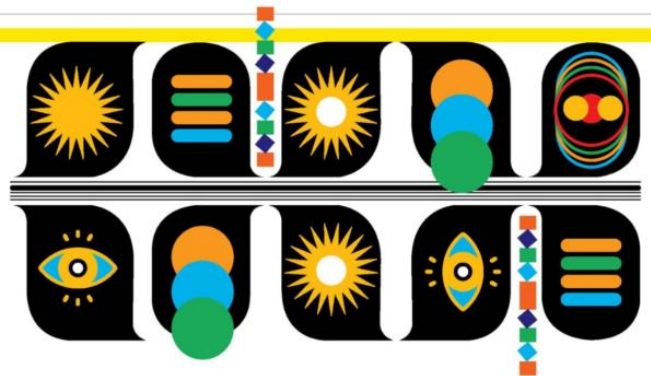
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INDIA'S TOP EMERGING COMPANIES

Fortune India 100 Emerging Stars clocked ₹1,46,550 crore in cumulative net revenues in FY24, and ₹16,753 crore in net profit.



| RANK 2025 | Company | Industry | Net Income | | | Ebitda | | | Profit | | | EBITDA Margin | | | PAT Margin | | | RoNW | | | RoCE | | | Total Assets | Return on Assets | Total Debt | Network | Debt/Equity | Close Price | Market Cap | Close Price 3-Yr CAGR | Enterprise Value | TTMPE | TTM P/B | Mar-Net Cap/Sales | Pro-motor & Group Holdings | Non Pro-motor Holdings | FI Holdings | DII Holdings |
|-----------|---------------------------------------|--------------------------|------------|----------------|---------------|---------|----------------|---------|----------------|---------------|-------|---------------|-------|--------------|------------|--------------|---------|-------|----------|----------|---------|----------|---------|--------------|------------------|------------|---------|-------------|-------------|------------|-----------------------|------------------|-------|---------|-------------------|----------------------------|------------------------|-------------|--------------|
| | | | ₹ crore | YoY change (%) | 3-Yr CAGR (%) | ₹ crore | YoY change (%) | ₹ crore | YoY change (%) | 3-Yr CAGR (%) | (%) | (%) | (%) | 3-Yr avg (%) | (%) | 3-Yr avg (%) | ₹ crore | (%) | ₹ crore | (%) | ₹ crore | (%) | ₹ crore | (%) | ₹ crore | (x) | (₹) | ₹ crore | (%) | ₹ crore | (x) | (x) | (x) | (x) | (x) | (x) | (x) | (x) | |
| 1 | Aktulwala Contracts (India) | Construction | 3,855 | 35.83 | 24.83 | 388 | 27.58 | 375 | 93.23 | 69.33 | 10.06 | 9.72 | 10.36 | 16.57 | 20.9 | 22.06 | 2,028 | 18.48 | 105.02 | 1,599.95 | 0.07 | 816.75 | 5,471 | 22 | 4,780 | 31.06 | 3.28 | 1.35 | 55.32 | 44.68 | 12.51 | 24.21 | | | | | | | |
| | Garden Reach Shipbuilders & Engineers | Shipbuilding | 3,593 | 40.27 | 46.58 | 235 | 57.51 | 357 | 56.61 | 32.53 | 6.55 | 9.94 | 23.14 | 18.68 | 26.95 | 22.15 | 1,839 | 19.43 | 65.67 | 1,673.44 | 0.04 | 1,684.45 | 19,296 | 96 | 15,950 | 49.88 | 10.47 | 4.34 | 74.50 | 25.50 | 3.70 | 1.65 | | | | | | | |
| | Tata Elsi | IT Services | 3,552 | 12.96 | 24.83 | 1,047 | 8.83 | 792 | 4.91 | 29.11 | 29.48 | 22.30 | 34.51 | 37.57 | 41.95 | 45.06 | 2,785 | 28.45 | 224.78 | 2,505.66 | 0.09 | 5,216.30 | 32,489 | -17 | 31,378 | 14.14 | 13.07 | 8.72 | 43.91 | 56.09 | 13.26 | 6.96 | | | | | | | |
| | Goodluck India | Metals (Pipes) | 3,525 | 14.74 | 30.88 | 282 | 38.10 | 132 | 50.26 | 63.74 | 8.01 | 3.74 | 15.21 | 16.35 | 17.54 | 16.60 | 1,771 | 7.45 | 612.04 | 1,118.36 | 0.55 | 699.80 | 2,291 | 35 | 2,874 | 14.34 | 1.86 | 0.62 | 55.78 | 44.22 | 1.71 | 0.00 | | | | | | | |
| | Phaj Industries | Engineering | 3,466 | -1.75 | 38.50 | 372 | 20.81 | 293 | 18.17 | 51.77 | 10.73 | 8.17 | 24.09 | 21.88 | 29.83 | 27.99 | 1,463 | 19.37 | 169.33 | 1,274.47 | 0.13 | 554.55 | 10,193 | 16 | 10,192 | 40.95 | 7.84 | 3.01 | 32.81 | 61.20 | 18.63 | 17.68 | | | | | | | |
| | Gabriel India | Auto Ancillaries | 3,403 | 14.50 | 26.15 | 293 | 36.93 | 179 | 35.06 | 43.68 | 8.6 | 5.25 | 17.84 | 15.42 | 23.11 | 20.62 | 1,091 | 16.39 | 74.97 | 1,002.75 | 0.07 | 579.35 | 8,322 | 73 | 8,296 | 36.34 | 7.66 | 2.13 | 55.00 | 45.00 | 5.33 | 13.18 | | | | | | | |
| | Precision Wires India | Metals (Wires) | 3,302 | 8.84 | 24.31 | 134 | 25.88 | 73 | 22.46 | 22.83 | 4.06 | 2.21 | 15.23 | 16.11 | 25.05 | 27.03 | 612 | 11.90 | 98.61 | 506.44 | 0.19 | 132.05 | 2,359 | 36 | 2,408 | 28.64 | 4.37 | 0.61 | 57.93 | 42.07 | 0.44 | 0.00 | | | | | | | |
| 8 | Sona BLW Precision Forgings | Auto Ancillaries | 3,185 | 19.03 | 26.69 | 893 | 29.02 | 517 | 30.86 | 33.96 | 28.05 | 16.24 | 20.96 | 20.27 | 24.28 | 22.97 | 3,288 | 15.73 | 412.13 | 2,650.33 | 0.16 | 460.69 | 28,636 | -11 | 27,000 | 47.87 | 5.47 | 8.03 | 28.03 | 71.97 | 33.25 | 30.09 | | | | | | | |
| | Govta India | Steel Ancillary | 3,181 | 12.86 | 30.88 | 286 | 41.65 | 239 | 18.94 | 65.81 | 9.05 | 7.57 | 33.97 | 40.36 | 27.74 | 29.77 | 1,408 | 16.99 | 547.59 | 837.40 | 0.65 | 1,826.75 | 13,483 | 73 | 13,951 | 4.71 | 7 | 3.65 | 59.27 | 30.38 | 14.12 | 2.85 | | | | | | | |
| | Shriam Pistons & Rings | Auto Ancillaries | 3,089 | 18.40 | 24.61 | 642 | 39.45 | 443 | 50.81 | 70.84 | 20.78 | 14.33 | 25.55 | 20.18 | 28.59 | 23.41 | 2,550 | 17.36 | 486.59 | 1,915.95 | 0.25 | 1,887.75 | 8,316 | 75 | 7,793 | 17.33 | 3.89 | 2.43 | 43.75 | 56.25 | 4.50 | 9.03 | | | | | | | |
| | Ram Ratna Wires | Metals (Wires) | 2,983 | 12.59 | 25.01 | 120 | 9.56 | 52 | 16.42 | 51.94 | 4.01 | 1.75 | 15.13 | 18.07 | 18.57 | 18.05 | 684 | 7.64 | 249.22 | 480.40 | 0.61 | 543.60 | 2,304 | 78 | 2,588 | 37.01 | 5.62 | 0.68 | 72.98 | 27.03 | 0.31 | 0.00 | | | | | | | |
| | eClerx Services | IT Services | 2,926 | 10.49 | 23.20 | 774 | 7.01 | 511 | 4.63 | 21.87 | 26.45 | 17.48 | 25.83 | 27.82 | 31.4 | 33.50 | 2,583 | 19.80 | 265.74 | 2,247.50 | 0.12 | 2,778.10 | 13,620 | 23 | 13,386 | 28.22 | 6.64 | 4.21 | 53.81 | 44.86 | 10.27 | 22.95 | | | | | | | |
| | Action Construction Equipment | Construction (Equipment) | 2,914 | 34.92 | 33.41 | 403 | 82.54 | 328 | 91.24 | 60.19 | 13.84 | 11.26 | 30.55 | 22.56 | 42.2 | 30.71 | 1,239 | 26.48 | 4.46 | 1,229.84 | 0.00 | 1,257.65 | 14,877 | 81 | 15,026 | 38.49 | 10.82 | 4.68 | 65.41 | 34.53 | 11.90 | 1.01 | | | | | | | |
| | Timken India | Auto Ancillaries | 2,910 | 3.87 | 27.30 | 572 | 2.15 | 392 | 0.36 | 39.91 | 19.67 | 13.48 | 17.61 | 20.19 | 22.79 | 25.75 | 2,501 | 15.68 | 25.36 | 2,417.27 | 0.01 | 2,750.80 | 20,691 | 9 | 20,310 | 51.47 | 8.01 | 6.66 | 51.05 | 48.95 | 12.96 | 23.68 | | | | | | | |
| | Lumax Auto Technologies | Auto Ancillaries | 2,822 | 52.74 | 36.56 | 369 | 92.05 | 130 | 40.16 | 40.31 | 13.06 | 4.61 | 23.01 | 18.91 | 20.03 | 18.03 | 1,838 | 7.08 | 806.91 | 780.81 | 1.03 | 539.50 | 3,677 | 47 | 4,347 | 22.48 | 4.4 | 1.13 | 55.98 | 44.02 | 5.91 | 13.86 | | | | | | | |
| | Linda India | Industrial Gas | 2,769 | -1.70 | 23.46 | 702 | -8.17 | 434 | -19.32 | 42.16 | 25.37 | 15.68 | 13.14 | 13.43 | 17.04 | 16.59 | 3,606 | 12.04 | 20.69 | 3,468.43 | 0.01 | 6,250.45 | 53,304 | 72 | 52,348 | 120.64 | 14.86 | 21.12 | 75.00 | 25.00 | 2.27 | 6.78 | | | | | | | |
| 17 | Banco Products (India) | Auto Ancillaries | 2,768 | 18.72 | 21.79 | 422 | 15.99 | 271 | 15.20 | 33.63 | 15.25 | 9.80 | 26.45 | 22.36 | 26.23 | 24.96 | 1,500 | 18.10 | 422.97 | 1,050.96 | 0.40 | 344.80 | 4,932 | 73 | 5,303 | 16.09 | 3.87 | 1.62 | 67.88 | 32.12 | 3.94 | 0.12 | | | | | | | |
| | Hindustan Foods | FMCG | 2,755 | 6.03 | 25.10 | 222 | 28.02 | 93 | 30.79 | 35.66 | 8.06 | 3.38 | 18.25 | 18.43 | 15.26 | 16.54 | 1,389 | 6.70 | 728.85 | 645.26 | 1.13 | 566.80 | 6,494 | 15 | 7,234 | 63.78 | 8.21 | 1.93 | 62.22 | 37.78 | 5.45 | 10.18 | | | | | | | |
| | Jamna Auto Industries | Auto Ancillaries | 2,427 | 4.36 | 31.00 | 328 | 25.70 | 205 | 22.00 | 41.20 | 13.51 | 8.46 | 24.35 | 23.18 | 29.74 | 26.69 | 1,099 | 18.68 | 169.80 | 803.18 | 0.19 | 75.12 | 2,967 | -9 | 3,067 | 16.22 | 3.2 | 1.32 | 49.94 | 50.06 | 4.25 | 4.33 | | | | | | | |
| | Metro Brands | Retail | 2,357 | 10.79 | 43.35 | 700 | 3.07 | 413 | 14.13 | 82.20 | 25.22 | 17.50 | 24.18 | 23.46 | 19.83 | 21.51 | 2,983 | 13.78 | 1,098.43 | 1,863.71 | 0.59 | 1,012.25 | 27,558 | 19 | 28,442 | 67.05 | 13.99 | 11.26 | 71.93 | 28.07 | 3.42 | 6.86 | | | | | | | |
| 21 | DP Abhushan | Gems & Jewellery | 2,340 | 18.47 | 24.31 | 303 | 30.80 | 62 | 36.50 | 31.19 | 4.39 | 2.64 | 29.47 | 30.78 | 27.05 | 25.09 | 413 | 14.99 | 172.80 | 238.75 | 0.72 | 1,362.30 | 3,080 | 53 | 3,237 | 29.69 | 9.13 | 0.98 | 73.82 | 26.18 | 0.20 | 0.04 | | | | | | | |
| | CMS Info Systems | ITES | 2,265 | 18.28 | 30.14 | 599 | 11.48 | 347 | 16.79 | 27.24 | 26.47 | 15.23 | 19.78 | 20.29 | 25.14 | 25.60 | 2,107 | 16.48 | 0.00 | 1,946.76 | 0.00 | 469.95 | 7,322 | 23 | 7,464 | 20.53 | 3.58 | 3.09 | 0.00 | 100.00 | 37.95 | 21.58 | | | | | | | |
| 23 | KSB | Pumps | 2,247 | 23.34 | 22.98 | 294 | 19.02 | 209 | 14.22 | 30.56 | 13.06 | 9.29 | 17.07 | 16.58 | 22.51 | 21.60 | 1,349 | 15.47 | 3.24 | 1,301.91 | 0.00 | 712.70 | 12,404 | 42 | 12,084 | 50.12 | 8.35 | 4.9 | 69.80 | 30.21 | 5.33 | 10.45 | | | | | | | |