CMS Info Systems Limited

Standalone Financial Statements
together with the
Independent Auditors' Report
for the year ended 31 March 2021

CMS Info Systems Limited

Standalone Financial statements together with the Independent Auditors' Report

for the year ended 31 March 2021

Contents

B S R & Co. LLP
Chartered Accountants

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Independent Auditors' Report

To the Members of CMS Info Systems Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of CMS Info Systems Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone financial statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Directors' report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditors' Report *(Continued)*

CMS Info Systems Limited

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

Independent Auditors' Report *(Continued)*

CMS Info Systems Limited

Auditor's Responsibilities for the Audit of the Standalone Financial Statements *(Continued)*

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

Independent Auditors' Report *(Continued)*

CMS Info Systems Limited

Report on Other Legal and Regulatory Requirements *(Continued)*

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its standalone financial statements - Refer Note 30 to the standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.

(C) With respect to the matter to be included in the Auditors' Report under Section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No: 112399
ICAI UDIN: 21112399AAAABN8283

Mumbai
25 May 2021

CMS Info Systems Limited

Annexure - A to the Independent Auditors' Report – 31 March 2021

(Referred to in our report of even date)

i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of two years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us, there are no immovable properties included in property, plant and equipment of the Company and accordingly, the requirements under clause 3(i) (c) of the Order are not applicable to the Company.

ii) The inventory, except goods-in-transit has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been appropriately dealt with in the books of accounts.

iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act and accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act during the year. The Company has complied with the provisions of Section 186 of the Act, in respect grant of loans, making investments and providing guarantees and securities, as applicable.

v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi) The Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for any of the products / services rendered by the Company.

vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services tax, Duty of Customs, Cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Duty of Excise and Sales Tax/ value added tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

Also refer note 30 (c) to the standalone Ind AS financial statements.

CMS Info Systems Limited

Annexure - A to the Independent Auditors' Report – 31 March 2021 *(Continued)*

(b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Service tax, Duty of Customs, Goods and Services tax and Value added tax as at 31 March 2021, which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned in Enclosure I to this report.

viii) In our opinion and according to the information and explanations given to us, the Company does not have any loans or borrowings from any financial institution, bank or Government, nor it has issued any debentures during the year. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.

ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

x) According to the information and explanations given to us, seven instances of cash embezzlements done by employees of the Company wherein the total amount involved was Rs. 74.84 million has been noticed or reported during the year. Further, the Company has filed complaints with the Police and has also filed insurance claims for the recovery of amounts involved. Out of the above, the Company has recovered Rs. 23.66 million, written off Rs. 10.35 million being doubtful of recovery and is in the process of recovering the balance amounts.

xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the provisions of Sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable Indian Accounting Standards.

xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

CMS Info Systems Limited

Annexure - A to the Independent Auditors' Report – 31 March 2021 *(Continued)*

xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No: 112399
ICAI UDIN: 21112399AAAABN8283

Mumbai
25 May 2021

CMS Info Systems Limited

Enclosure I to Annexure A to the Independent Auditors' Report – 31 March 2021

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the Amount relates	Amount under dispute (Rs in Million)	Amount paid under protest (Rs in Million)
Bihar Value Added Tax Act, 2005	Value Added Tax	Commissioner of commercial taxes, Bihar	2015-16	25.73	10.29
Gujarat Value Added Tax Act, 2003	Value Added Tax	Commercial tax officer, Gujarat.	2013-14	40.12	2.50
Uttarakhand VAT Act, 2005	Value Added Tax	Deputy Commissioner, Dehradun	2014-15	1.72	0.69
Kerala VAT Act, 2003	Value Added Tax	Assistant Commissioner, Ernakulam	2016-17	0.12	0.02
Orissa Value Added Tax Act, 2003	Value Added Tax	Deputy Commissioner of Value Added Tax, Orissa	2014-15	1.49	0.05
Orissa Value Added Tax, 2004	Value Added Tax	Deputy Commissioner of Value Added Tax, Orissa	2013-14 and 2014-15	0.37	0.02
Central Sales Tax Act, 1956	Central Sales Tax	Commercial tax officer Gujarat	2013-14	0.55	-
Central Sales Tax Act, 1956	Central Sales Tax	Deputy Commissioner of Central Sales Tax, Orissa	2013-14 and 2014-15	0.26	-
The Central Excise Act, 1944	Excise duty	Custom, Excise and Service Tax Appellate Tribunal	May-13 to Jun-17	42.45	3.18
The Central Excise Act, 1944	Excise duty	Custom, Excise and Service Tax Appellate Tribunal	2015-16	26.58	19.93
Maharashtra Goods and Service tax Act,2017	Value Added Tax	Deputy Commissioner of State tax	2015-16	44.42	-
Kerala state Goods and Service Tax Act,2017	Value Added Tax	First Appellate Authority, Ernakulam	2013-14	133.80	- -
Maharashtra Goods and Service Tax Act,2017	Central Sales Tax	Deputy Commissioner of State Tax	2015-16	5.76	-
Bihar Goods and Service tax Act,2017	Goods and Service tax	Office of the Appellate Authority, Central Bihar	2017-18	0.82	0.05
Customs Act,1962	Special Additional duty	Supreme Court	2015-16	42.78	-
Customs Act, 1962	Custom duty	Customs Excise & service tax Appellate Tribunal	2016-19 and 2019-20	45.13	4.17
Service Tax Act, 1994	Service Tax	Commissioner of CGST	2014-15	7.05	-
Income tax department	Income tax	CIT Appeal	AY 2017-18	50.47	41.92
Income tax department	Income tax	CIT Appeal	AY 2018-19	67.86	57.36

CMS Info Systems Limited

Annexure B to the Independent Auditors' report on the standalone financial statements of CMS Info Systems Limited for the year ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of CMS Info Systems Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

CMS Info Systems Limited

Annexure B to the Independent Auditors' report on the standalone financial statements of CMS Info Systems Limited for the year ended 31 March 2021 *(Continued)*

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No: 112399
ICAI UDIN: 21112399AAAABN8283

Mumbai
25 May 2021

CMS Info Systems Limited

Standalone Balance Sheet
as at March 31, 2021

(₹ in million)

	Notes	As at March 31, 2021	As at March 31, 2020
Assets			
Non-current assets			
(a) Property, plant and equipment	4	1,804.02	1,076.08
(b) Capital work-in-progress		226.81	28.01
(c) Right-of- use assets	5(a)	1,181.22	794.72
(d) Goodwill	5	1,227.03	1,227.03
(e) Other intangible assets	5	189.51	183.14
(f) Intangible assets under development		4.66	10.47
(g) Financial assets			
(i) Investments	6(a)	1,854.43	1,851.04
(ii) Other financial assets	7	162.79	394.16
(h) Deferred tax assets (net)	8	134.81	136.57
(i) Income tax assets (net)		77.84	105.24
(j) Other non-current assets	9	146.11	113.26
		7,009.23	5,919.72
Current assets			
(a) Inventories	10	894.73	430.44
(b) Financial assets			
(i) Investments	6(b)	953.27	553.37
(ii) Trade receivables	11	2,941.43	2,236.54
(iii) Cash and cash equivalents	12	1,030.44	1,525.70
(iv) Bank balances other than (iii) above	12	395.56	279.83
(v) Other financial assets	7	1,687.08	1,283.65
(c) Other current assets	9	403.31	451.80
		8,305.82	6,761.33
Total		15,315.05	12,681.05
Equity and Liabilities			
Equity			
(a) Equity share capital	13(a)	1,480.00	1,480.00
(b) Other equity	13(b)	8,031.95	6,858.95
Total equity attributable to equity share holders of the Company		9,511.95	8,338.95
Liabilities			
Non-current Liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	15	924.67	585.99
(b) Provisions	16	31.70	26.70
		956.37	612.69
Current Liabilities			
(a) Financial liabilities			
(i) Trade payables	14		
1. Dues of micro enterprises and small enterprises		38.46	76.45
2. Dues of creditors other than micro enterprises and small enterprises		2,126.37	1,827.61
(ii) Other financial liabilities	15	2,446.14	1,441.18
(b) Provisions	16	6.45	5.89
(c) Other current liabilities	17	229.30	378.28
		4,846.72	3,729.41
Total		15,315.05	12,681.05

Summary of significant accounting policies — 2

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For **B S R & Co.LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No.: 112399

Mumbai
25 May 2021

For and on behalf of the Board of Directors of
CMS Info Systems Limited
CIN: U45200MH2008PLC180479

AshishAgrawal

Ashish Agrawal
Director
DIN No.: 00163344

Place:Mumbai

Rajiv Kaul
Whole Time Director and Chief Executive Officer
DIN No.: 02581313
Place:Texas, USA

Pankaj Khandelwal
Chief Financial Officer

Place:Mumbai

Praveen Soni
Company Secretary
Membership No: FCS 6495
Place: Jaipur

CMS Info Systems Limited

Standalone Statement of Profit and Loss
for the year ended March 31, 2021

(₹ in million)

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
Revenue from operations	*18*	**11,309.01**	11,620.64
Other income	*19*	**82.95**	17.36
Finance income	*20*	**60.03**	41.74
Total Income		**11,451.99**	11,679.74
Expenses			
Purchase of traded goods	*21*	**2,069.54**	1,814.60
(Increase) / Decrease in inventories	*22*	**(273.06)**	98.58
Employee benefits expense	*23*	**750.36**	735.95
Finance cost	*24*	**76.60**	66.21
Depreciation and amortisation expense	*4 &5*	**580.52**	481.80
Other expenses	*25*	**6,142.02**	6,668.57
Total Expenses		**9,345.98**	9,865.70
Profit before tax		**2,106.01**	1,814.04
Tax expense			
Current tax		**575.00**	482.00
Tax adjustment of earlier year		**12.24**	4.47
Deferred tax charge/(credit)		**2.00**	50.94
Total tax expense		**589.24**	537.41
Profit for the year attributable to equity shareholders		**1,516.77**	1,276.63
Other comprehensive income ('OCI')			
Items that will not be reclassified to profit or loss			
Remeasurement gains / (losses) on defined benefit plans		**(1.05)**	(1.57)
Income tax effect		**0.27**	0.40
Other comprehensive income for the year, net of tax		**(0.78)**	(1.17)
Total comprehensive Income for the year		**1,515.99**	1,275.46
Earnings per equity share (nominal value of share ₹ 10)	26		
Basic		**10.25**	8.63
Diluted		**9.98**	8.40
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For B S R & Co.LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No.: 112399

Mumbai
25 May 2021

For and on behalf of the Board of Directors of
CMS Info Systems Limited
CIN: U45200MH2008PLC180479

Ashish Agrawal
Director

DIN No.: 00163344
Place:Mumbai

Rajiv Kaul
Whole Time Director and Chief Executive Officer
DIN No.: 02581313
Place:Texas, USA

Pankaj Khandelwal
Chief Financial Officer

Place:Mumbai

Praveen Soni
Company Secretary
Membership No: FCS 6495
Place: Jaipur

CMS Info Systems Limited

Standalone Statement of Cash flows

for the year ended March 31, 2021

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flow from operating activities		
Profit before tax	2,106.01	1,814.04
Adjustments to reconcile profit before tax to net cash flow:		
Depreciation and amortisation on Property,plant and equipment and Intangible asset	372.43	287.13
Depreciation on Right-of-use assets	208.09	194.67
Unrealised foreign exchange (gain)/loss	(3.32)	1.73
Advance written off	-	88.17
Bad debts written off	60.95	105.93
Debit balance written off	1.08	4.69
Impairment allowance for bad and doubtful receivables and deposits	146.00	113.60
(Profit)/Loss on disposal of property, plant and equipment (net)	0.10	(1.07)
Sundry credit balances written back	(40.46)	-
Impairment for doubtful claims receivables	-	13.77
Insurance claims receivables written off	0.79	-
Lease rent concessions	(20.07)	-
Finance income	(60.03)	(33.78)
Profit on sale of current investments	(7.65)	(12.92)
Net change in fair value of current investments measured at FVTPL	(2.48)	(3.37)
Employee stock option compensation cost	19.42	10.05
Finance costs	76.59	66.21
Operating profit before working capital changes	2,857.47	2,648.85
Movement in working capital :		
Increase in trade payables and other liabilities	266.98	1,573.69
Increase / (Decrease) in provisions	4.50	(17.25)
(Increase) in inventories	(464.29)	(14.06)
(Increase) in trade receivables	(911.84)	(1,116.98)
(Increase) in other assets and prepayments	(189.04)	(596.83)
Cash flow generated from operations	1,563.79	2,477.42
Direct taxes paid (net of refunds)	(559.83)	(437.80)
Net cash flow from operating activities (A)	1,003.95	2,039.62
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	47.79	1.29
Purchase of property, plant and equipment, intangible assets (including CWIP and capital advances)	(548.59)	(786.16)
Investments in mutual funds	(3,189.90)	(3,830.00)
Proceeds from redemption of mutual funds	2,800.13	3,396.66
Loan given to subsidiary	(768.44)	(1,337.30)
Repayment of loan from subsidiary	992.41	1,433.47
Investment in deposits with banks	(1,788.33)	(199.96)
Proceeds from maturity of deposits with banks	1,556.68	262.83
Net cash flow (used in) investing activities (B)	(898.25)	(1,059.18)
Cash flows from financing activities		
Dividend paid	(362.60)	(321.16)
Finance costs	(7.01)	(3.79)
Finance costs on lease liabilities	(69.58)	(62.42)
Payment of Principal portion of lease liabilities	(161.78)	(171.89)
Net cash flow (used in) financing activities (C)	(600.97)	(559.26)
Net increase/(Decrease) in cash and cash equivalents (A+B+C)	(495.27)	421.19
Cash and cash equivalents at the beginning of the year	1,525.70	1,104.51
Cash and cash equivalents at the end of the year (refer note below)	1,030.44	1,525.70

CMS Info Systems Limited

Standalone Statement of Cash flows *(Continued)*
for the year ended March 31, 2021

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Components of cash and cash equivalents:		
Cash on hand	**3.70**	10.33
In deposits account with original maturity of less than three months	**397.86**	870.03
Balances with banks		
On current accounts	**628.88**	645.34
Cash and cash equivalents (refer note 12)	**1,030.44**	1,525.70
Cash and cash equivalents at the end of the year	**1,030.44**	1,525.70

The Standalone statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (IndAS 7)

Summary of significant accounting policies 2

As per our report of even date

For B S R & Co.LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No.: 112399

Mumbai
25 May 2021

For and on behalf of the Board of Directors of
CMS Info Systems Limited
CIN: U45200MH2008PLC180479

Ashish Agrawal
Director
DIN No.: 00163344

Place:Mumbai

Rajiv Kaul
Whole Time Director
and Chief Executive Officer
DIN No.: 02581313
Place:Texas, USA

Pankaj Khandelwal
Chief Financial Officer

Place:Mumbai

Praveen Soni
Company Secretary
Membership No: FCS 6495
Place: Jaipur

CMS Info Systems Limited

Standalone Statement of Changes in Equity

for the year ended March 31, 2021

(₹ in million)

Particular	Equity share capital	Reserve and surplus				Total equity
		Securities premium	Share based payment reserve (refer note 38 & 39)	Capital redemption reserve	Retained earnings	
As at March 31, 2019	1,480.00	42.87	376.33	150.00	5,324.97	7,374.17
Profit for the year	-	-	-	-	1,276.63	1,276.63
Other comprehensive income					(1.17)	(1.17)
Total comprehensive income	-	-	-	-	1,275.46	1,275.46
Employee stock option compensation cost			10.48		-	-
Dividend Paid (including dividend distribution tax ₹ 54.76 million)	-	-	-	-	321.16	321.16
As at March 31, 2020	1,480.00	42.87	386.81	150.00	6,279.27	8,338.95
Profit for the year	-	-	-	-	1,516.77	1,516.77
Other comprehensive income	-	-	-	-	(0.78)	(0.78)
Total comprehensive income	-	-	-	-	1,515.99	1,515.99
Employee stock option compensation cost	-	-	19.61	-	-	19.61
Dividend Paid	-	-	-	-	362.60	362.60
As at March 31, 2021	1,480.00	42.87	406.41	150.00	7,432.66	9,511.95

Summary of significant accounting policies (Refer Note 2)

The accompanying notes form an integral part of the financial statements.

As per our report of even date.

For B S R & Co.LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No.: 112399

Mumbai
25 May 2021

For and on behalf of the Board of Directors of
CMS Info Systems Limited
CIN: U45200MH2008PLC180479

Ashish Agrawal

Ashish Agrawal
Director
DIN No.: 00163344

Place:Mumbai

Rajiv Kaul
Whole Time Director
and Chief Executive Officer
DIN No.: 02581313
Place:Texas, USA

Pankaj Khandelwal
Chief Financial Officer

Place:Mumbai

Praveen Soni
Company Secretary
Membership No: FCS 6495
Place: Jaipur

1. Corporate information

CMS Info Systems Limited (the 'Company') is a Company domiciled in India and was incorporated under the provisions of the Companies Act, 1956. The Company became a subsidiary of Sion Investment Holdings Pte. Limited with effect from August 27, 2015 pursuant to acquisition of 100% shares from BLACKSTONE FP CAPITAL PARTNERS (MAURITIUS) V LTD, CMS Computers Limited, Mr. Ramesh Grover and others (together known as 'erstwhile shareholders').

The Company is engaged in the business of providing ATM and Cash Management services, supply, installation and maintenance of ATM and cash deposit machines, and also engaged in card trading and personalization services. The registered office of the Company is located at T-151, 5th Floor, Tower No.10, Sector 11, Railway station complex, CBD Belapur, Navi Mumbai 400614.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 25, 2021.

2. Summary of significant accounting policies

a) Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended under the provisions of the Companies Act, 2013 (the 'Act') and subsequent amendments thereof. The financial statements have been prepared under the historical cost basis except for certain financial assets and liabilities that have been measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in Indian Rupees ('INR' or '₹') in million, which is also the Company's functional currency. The financial statements are prepared on a going concern basis.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle or expected to be realised within twelve months after the reporting period
- Held primarily for the purpose of trading
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when it is:

- Expected to be settled in normal operating cycle and is due to be settled within twelve months after the reporting period
- Held primarily for the purpose of trading

2. Summary of significant accounting policies *(Continued)*

b) Current versus non-current classification *(Continued)*

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified period of twelve months as its operating cycle.

c) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use. While deriving cost, refundable taxes and discounts are excluded. Borrowing cost relating to acquisition of tangible assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Capital work in progress is stated at cost.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit or Loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

The Company provides depreciation on property, plant and equipment using the straight line method at the rates computed based on the estimated useful lives of the assets as estimated by the management which are in most cases equal to the corresponding rates prescribed in Schedule II to the Act. Certain assets are depreciated at lower rates.

The Company has estimated the following lives to provide depreciation and amortisation:

Category	Useful lives (in years)
Plant and machinery	7*
Electric installations	5*
Furniture, fixtures and fittings	7*
Vehicles (used for ATM and Cash Management business)	6*
Other vehicles	8
Office equipment	5
Computers, servers and peripherals	3 to 6

(₹ in million)

2. Summary of significant accounting policies *(Continued)*

c) Property, plant and equipment *(Continued)*

*The Company, based on technical assessment made by the management, depreciates certain items of plant and equipment and vehicles (used for ATM and Cash Management business) over the estimated useful lives which are different from the useful lives prescribed in Schedule II to the Act. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Leasehold improvements are depreciated on a straight line basis over the shorter of the estimated useful life of the asset or the lease term, which does not exceed 7 years.

The residual values, useful lives and method of depreciation and amortisation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d) Intangible assets and goodwill

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets recognised in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate.

Intangible assets are amortised on straight line basis over the estimated useful life as follows:

Particulars	Useful Life
Computer software	3-6 years
Customer contracts (fair value of business combination)	5-6 years
Customer contracts (Purchased)	2-3 years
Non-compete fees	6 years (Non-compete period)

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised. Goodwill is tested for impairment annually at the cash-generating unit level.

e) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2. Summary of significant accounting policies *(Continued)*

e) Impairment of non- financial assets *(Continued)*

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, wherever applicable, a long term growth rate is calculated and applied to projected future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

f) Leases

The Company adopted Ind AS 116, leases (which replaces earlier standard Ind AS 17) using modified retrospective approach for transitioning by recognising right of use asset and an equal amount of lease liability on 1 April, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognized at the date of initial application. The Company elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at April 1, 2019.

The Company applies a single recognition and measurement approach for all leases and hence the Company has not considered recognition exemptions for any of its leases. The Company recognizes lease liabilities to make lease payments and right of-use assets representing the right to use the underlying assets.

The effect of adoption Ind AS 116 as at April 1, 2019 is given to notes to accounts, Refer Note 28.

The lease liabilities were discounted using the incremental borrowing rate (same as company average borrowing rate) of the Company as at April 1, 2019.

(₹ in million)

2. Summary of significant accounting policies *(Continued)*

f) Leases *(Continued)*

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

ii) Lease liability

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

2. Summary of significant accounting policies *(Continued)*

f) Leases *(Continued)*

ii) Lease liability *(Continued)*

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company does not apply the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and low-value assets recognition exemption.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operating nature.

g) Inventories

Inventories are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of trading goods, stores and spares is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

h) Revenue recognition

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

(₹ in million)

2. Summary of significant accounting policies *(Continued)*

h) Revenue recognition *(Continued)*

Sale of goods:

Revenue from sale of goods is recognised at point in time when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

The company provides and commits preventive maintenance services on its certain products at the time of sale for one or two years from the date the sale. These maintenance services are sold together with the sale of product. Contracts for such sales of product and preventive maintenance services comprise two performance obligations because the promises to transfer the product and to provide the preventive maintenance services are capable of being distinct. Accordingly, a portion of the transaction price is allocated to the preventive maintenance services and recognised as a contract liability. Revenue is recognised over the period in which the preventive maintenance services are provided based on the time elapsed.

Sale of services:

Revenue from ATM and cash management services, card personalization services and allied operations is recognised over time when the required services are rendered in accordance with the contracts / agreements entered into with the customer and is disclosed net off deductions for shortages, etc. charged by the customers as per the terms of the agreement.

Revenue from annual maintenance contracts is recognised, over the period of the maintenance contract.

Revenue recognized, in excess of billing is classified as unbilled revenue; while billing in excess of revenue is classified as unearned revenue.

Sale of ATM sites:

Revenue from sale of ATM sites is recognised based on customer acceptance received on completion of the ATM sites as per the terms of agreement entered with the customers.

i) Interest income:

For all debt instruments measured either at amortised cost, interest income is recorded using the effective interest rate ('EIR'). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the Statement of Profit and Loss.

2. Summary of significant accounting policies *(Continued)*

j) Foreign currencies

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates, at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised as income or expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

k) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as expenses, when an employee renders the related service.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation done as per projected unit credit method, carried out by an independent actuary at the end of the year. The Company makes contributions to a fund administered and managed by an insurance company to fund the gratuity liability. Under this scheme, the obligation to pay gratuity remains with the Company, although insurance company administers the scheme.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss - Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income.

Remeasurements comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. The Company presents the leave as a short-term provision in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

2. Summary of significant accounting policies *(Continued)*

k) Retirement and other employee benefits *(Continued)*

Remeasurements, comprising of actuarial gains and losses, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

l) Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Deferred tax relating to items not recognised in the Statement of Profit and Loss is recognised either in OCI or in equity (where the item on which deferred tax is arising is recognised). Deferred tax on differences arising in business combination is recognised in Goodwill.

(₹ in million)

2. Summary of significant accounting policies *(Continued)*

m) Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting the cost recognised in the current year in relation to employee stock options schemes) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

n) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement, if any.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

o) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

p) Cash and cash equivalents

Cash and cash equivalent in the balance sheet and cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding book overdrafts and cash credits as they are considered an integral part of the Company's cash management.

q) Share based payment

Employees (including senior management) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

2. Summary of significant accounting policies *(Continued)*

q) Share based payment *(Continued)*

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and / or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The Statement of Profit and Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for awards that do not ultimately vest because non-market performance and / or service conditions have not been met. When an award is cancelled by the Company or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Statement of Profit and Loss.

r) Fair value measurement

The Company measures financial instruments, such as, investment in mutual funds unit at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2. Summary of significant accounting policies *(Continued)*

r) Fair value measurement *(Continued)*

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as impairment testing of goodwill, non-current assets and fair value of employee stock options schemes. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

s) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

Initial recognition and measurement

On initial recognition, a financial asset is recognised at fair value. In case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified and measured at:

- Amortised cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVOCI)

Financial assets are not reclassified subsequent to their recognition, except during the period the Company changes its business model for managing financial assets

Debt instruments at amortised cost

A debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

2. Summary of significant accounting policies *(Continued)*

s) Financial instruments *(Continued)*

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

Investment in subsidiaries

Investment in subsidiaries is carried at cost in the financial statements.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

2. Summary of significant accounting policies *(Continued)*

s) Financial instruments *(Continued)*

Derecognition *(Continued)*

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit or Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

(₹ in million)

2. Summary of significant accounting policies *(Continued)*

s) Financial instruments *(Continued)*

Loans and borrowings *(Continued)*

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets which are not fair valued through profit or loss and equity instruments recognised in OCI. Loss allowance for trade receivables and insurance claims is measured at an amount equal to lifetime ECL at each reporting date, right from its initial recognition. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

(₹ in million)

2. Summary of significant accounting policies *(Continued)*

s) Financial instruments *(Continued)*

Impairment of financial assets *(Continued)*

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

t) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses, if any. For the purpose of impairment testing, goodwill acquired in a business combination is from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

(₹ in million)

2. Summary of significant accounting policies *(Continued)*

t) Business combinations and goodwill *(Continued)*

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained. Goodwill is tested for impairment annually as at March 31 and when circumstances indicate that the carrying value may be impaired.

Goodwill represents the excess of purchase consideration paid over the value of net assets of CMS Computers Limited taken over by the Company in accordance with the Scheme of Arrangement with the CMS Computers Limited and towards the business acquisition from Checkmate Services Private Limited. The Scheme was effective from April 01, 2008 and business from Checkmate was acquired with effect from April 30, 2018 respectively.

u) Rounding of amount:

Amount disclosed in the financial statements and notes have been rounded off to the nearest million as per the requirement of schedule III, unless otherwise stated

v) Cash dividend distribution to equity holders of the parent

The Company recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

3. Significant accounting judgments, estimates and assumptions:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(₹ in million)

3. Significant accounting judgments, estimates and assumptions *(Continued)*

Significant judgement:

Leases

The application of Ind AS 116 requires company to make judgements and estimates that affect the measurement of right-of-use assets and liabilities. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The Company has adopted average borrowing rate as it's incremental borrowing rate (IBR).

Estimates

Defined benefit plans

The cost of the defined benefit plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. Future salary increases are based on expected future inflation rates. The mortality rate is based on publicly available mortality tables for the country. Those mortality tables tend to change only at interval in response to demographic changes. Refer note 27 for sensitivity analysis in relation to this estimate.

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets.

Impairment of goodwill and investment in subsidiaries

Goodwill is tested for impairment at-least on an annual basis and when events that occur / changes in circumstances - indicate that the recoverable amount of the CGU is less than its carrying value.

Investment in subsidiaries is tested for impairment when events occurs that indicates that the recoverable amount is less than its carrying value.

3. Significant accounting judgments, estimates and assumptions *(Continued)*

Impairment of goodwill and investment in subsidiaries *(Continued)*

The impairment indicators, the estimation of expected future cash flows and the determination of the fair value require the Management to make significant judgements, estimates and assumptions concerning the identification and validation of impairment indicators, fair value of assets, Revenue growth rates and operating margins used to calculate projected future cash flows, relevant risk-adjusted discount rate, future economic and market conditions, etc. For the details as to carrying amount of Goodwill and impairment testing (including related sensitivity analysis), refer note 32.

Share-based payments

The Company initially measures the cost of equity-settled transactions with employees using black scholes model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 38.

Claims receivable

It represents the claims made the Company from Insurance companies and others on account of cash loss due to theft or loot etc. at the time of replenishment of cash in ATM's and cash deposits and pick-ups.

The Company has recognised the claims in books, when the amount thereof can be measured reliably and ultimate collection is reasonably certain. The claims receivable balances are reviewed annually by the management and necessary doubtful provision percentage is calculated on the basis of Company's historical experiences and recoverability of amount from Insurance companies and others.

Provision for doubtful trade receivables

The Company has large number of individual customers. Management assesses the level of allowance for doubtful debts after taking into account ageing analysis and any other factor specific to individual counterparty and a collective estimate based on historical experience adjusted for certain current factors.

Other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

3. Significant accounting judgments,estimates and assumptions*(Continued)*

Significant judgement: ***(Continued)***

Recent pronouncement:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rule 2015 are:

Balance Sheet:

• Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
• Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
• Specified format for disclosure of shareholding of promoters.
• Specified format for ageing schedule of trade receivables, trade payables, capital work-in- progress and intangible asset under development.
• If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
• Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

• Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of financial statements.

The amendments are extensive and the company will evaluate the same to give effect to them as required by law.

Standalone Notes to financial statements *(Continued)*

as at March 31, 2021

(₹ in million)

4 Property, plant and equipment

Particulars	Plant and machinery	Electrical installations	Furniture, fixtures and fittings	Vehicles	Office equipment	Leasehold Improvements	Computers, Servers and peripherals	Total
Gross block value as at March 31, 2019	513.47	49.58	192.54	1,009.25	20.55	82.18	291.07	2,158.64
Additions during the year	152.02	6.23	64.55	368.39	3.23	16.36	43.10	653.88
Deletions during the year	12.28	5.03	11.34	12.20	3.90	-	5.76	50.51
Gross block value as at March 31, 2020	653.21	50.78	245.74	1,365.44	19.88	98.54	328.41	2,762.01
Additions during the year	816.03	1.59	149.09	57.41	2.86	18.95	17.94	1,063.88
Deletions during the year	82.22	10.59	58.73	10.98	6.99	-	-	169.51
Gross block value as at March 31, 2021	1,387.02	41.78	336.10	1,411.87	15.75	117.49	346.35	3,656.37
Accumulated depreciation as at March 31, 2019	184.68	39.42	111.63	843.41	18.51	43.70	262.11	1,503.46
Depreciation for the year	82.55	3.97	23.50	91.38	1.20	9.69	20.47	232.76
Accumulated depreciation on disposals	12.21	5.03	11.28	12.14	3.88	-	5.75	50.29
Accumulated depreciation as at March 31, 2020	255.02	38.36	123.85	922.65	15.83	53.39	276.83	1,685.93
Depreciation for the year	105.29	4.12	26.95	113.79	1.65	10.59	25.85	288.25
Accumulated depreciation on disposals	47.36	10.38	46.64	10.46	6.98	-	-	121.82
Accumulated depreciation as at March 31, 2021	312.95	32.10	104.16	1,025.98	10.50	63.98	302.68	1,852.36
Net block as at March 31, 2020	398.19	12.42	121.89	442.79	4.05	45.15	51.58	1,076.07
Net block as at March 31, 2021	1,074.07	9.68	231.94	385.89	5.25	53.51	43.67	1,804.02

Capital work in progress

Capital work-in-progress as at 31 March 2021 is ₹ 226.81 millions (31 March 2020 ₹ 28.01 millions). Additions made to capital work-in-progress during the year amount to ₹ 226.81 millions (31 March 2020 ₹ 28.00 millions)

Asset amonting to Rs ₹ 28.01 millions (31 March 2020 ₹ 4.00 millions) has been capitalised during the year

Standalone Notes to financial statements *(Continued)*
as at March 31, 2021

(₹ in million)

5 Intangible assets

Particulars	Computer software	Customer Contract	Non compete Fees	Total	Goodwill
Gross block value as at March 31, 2019	71.90	174.59	18.00	264.49	1,227.03
Additions during the year	36.37	39.12	-	75.49	-
Deletion during the year	-	-	-	-	-
Gross block value as at March 31, 2020	108.27	213.71	18.00	339.98	1,227.03
Additions during the year	17.42	73.13	-	90.55	
Deletion during the year	-	-	-	-	
Gross block value as at March 31, 2021	125.69	286.84	18.00	430.53	1,227.03
Accumulated amortisation as at March 31, 2019	58.44	41.28	2.75	102.47	-
Amortisation during the year	18.14	33.23	3.00	54.37	-
Deletion during the year	-	-	-	-	-
Accumulated amortisation as at March 31, 2020	76.58	74.51	5.75	156.84	-
Amortisation during the year	21.97	59.21	3.00	84.18	
Deletion during the year	-	-	-	-	
Accumulated amortisation as at March 31, 2021	98.55	133.72	8.75	241.02	-
Net block as at March 31, 2020	31.69	139.20	12.25	183.14	1,227.03
Net block as at March 31, 2021	27.14	153.12	9.25	189.51	1,227.03

5(a) Right to Use Assests

Particulars	Leasehold Property	Total
Gross block value as at April 01, 2019	704.06	704.06
Additions during the year	285.33	285.33
Deletion during the year	-	-
Gross block value as at March 31, 2020	989.39	989.39
Additions during the year	760.40	760.40
Deletion during the year	217.05	217.05
Gross block value as at March 31, 2021	1,532.73	1,532.73
Accumulated depreciation as at April 01, 2019	-	-
Depreciation charge for the year	194.67	194.67
Deletion during the year	-	-
Accumulated depreciation as at March 31, 2020	194.67	194.67
Depreciation charge for the year	208.09	208.09
Deletion during the year	51.25	51.25
Accumulated depreciation as at March 31, 2021	351.51	351.51
Net block as at March 31, 2020	794.72	794.72
Net block as at March 31, 2021	1,181.22	1,181.22

(₹ in million)

		As at March 31, 2021	As at March 31, 2020
6	**Investments**		
(a)	**Non-current investments**		
	Investments in equity shares of subsidiary companies (unquoted, fully paid up, valued at cost)		
	950,000 (March 31, 2020 - 950,000) equity shares of ₹10 each of CMS Securitas Limited	28.51	28.46
	132,500 (March 31, 2020 - 132,500) equity shares of ₹ 100 each of Securitrans India Private Limited	1,825.82	1,822.48
	10,000 (March 31, 2020 - 10,000) equity shares of ₹ 10 each of Quality Logistics Services Private Limited	0.10	0.10
		1,854.43	1,851.04
(b)	**Current investments in units of unquoted mutual fund (at fair value through profit and loss)**		
	NIL Units (March 31, 2020: 1,022,211 Units) in ICICI Prudential Liquid Plan- Growth	-	300.31
	NIL Units (March 31, 2020: 934,082 Units) ABSL Money Manager Fund - Growth	-	253.06
	328,174 Units ICICI Prudential Liquid Fund (March 31, 2020: NIL Units)	100.01	-
	1,806,813 Units ICICI Prudential Overnight Fund (March 31, 2020: NIL Units)	200.52	-
	10,570,596 Units ICICI Prudential Ultra short term Fund (March 31, 2020: NIL Units)	241.83	-
	77,823 Units SBI liquid fund (March 31, 2020: NIL Units)	250.72	-
	47,793 Units SBI Overnight fund (March 31, 2020: NIL Units)	160.19	-
		953.27	553.37

7 Other Financial Assets

	Non - Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good				
Loans to subsidiary [refer note (i) below]	-	223.96	-	-
Claims receivable	42.21	55.53	-	-
Accrued Interest	-	-	7.21	4.76
Unbilled revenue	-	-	1,659.52	1,263.90
Balance in fixed deposit accounts with original maturity more than 12 months	-	16.20	-	-
Margin money deposits [refer note (ii) below]	47.14	19.76	-	-
Advances to employees	-	-	20.35	14.99
Security deposits	73.44	78.71	-	-
	162.79	394.16	1,687.08	1,283.65
Unsecured, considered doubtful				
Sundry deposits	2.33	2.33	-	-
Claims receivable	72.20	84.09	-	-
	74.53	86.42	-	-
Less: Impairment allowance for doubtful assets	(74.53)	(86.42)	-	-
	162.79	394.16	1,687.08	1,283.65

Notes:

i) Loans to subsidiary represents loan given to Securitrans India Private Limited (wholly owned subsidiary) for business needs which is repayable on demand.

ii) Margin money deposits given as security
Margin money deposits with carrying amount of ₹ 39.20 million (March 31, 2020 : ₹ 11.81 million) are subject to first charge to secure the Bank guarantees / fixed deposits given by banks on behalf of the Company for pending court cases and deposits of ₹ 7.95 million (March 31, 2020 - ₹ 7.95 million) are subject to first charge to secure the facilities for Vaulting and ATM operations.

(₹ in million)

8 Deferred Tax Assets (Net)

	As at March 31, 2021	As at March 31, 2020
Deferred tax assets		
Impairment allowance for bad and doubtful receivables	110.87	84.23
Impairment allowance for doubtful advances,claims receivable and deposits	18.76	21.75
Provision for employee benefits and bonus payable	22.54	18.62
Depreciation	-	6.23
Leases	12.33	5.74
	164.50	136.57
Deferred tax liabilities		
Depreciation	29.69	-
	29.69	-
Deferred tax assets (net)	134.81	136.57

Deferred tax reconciliation

	As at March 31, 2021	As at March 31, 2020
Opening balance	136.57	187.11
Tax during the year recognised in Statement of Profit and Loss	(2.00)	(50.94)
Tax during the year recognised in other comprehensive income	0.27	0.40
Closing balance	134.81	136.57

Tax reconciliation

Profit before tax	2,106.01	1,814.04
At statutory income tax rate of 25.168% (March 31, 2020: 25.168%)	530.04	456.56
Effect of change in tax rate	-	53.04
Effect of non-deductible items under tax laws	46.96	27.81
Adjustment of tax relating to earlier years	12.24	-
At the effective income tax rate of 25.168% (March 31, 2020: 25.168%)	589.24	537.41
Income tax expense reported in the Statement of Profit and Loss	589.24	537.41

9 Other Assets

	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good				
Advances recoverable in kind or for value to be received	-	-	128.28	161.26
Capital advances	75.59	55.11	-	-
Receivable from Government Authorities	47.66	44.78	134.50	105.07
Prepaid expenses	22.86	13.37	140.53	185.47
	146.11	113.26	403.31	451.80
	146.11	113.26	403.31	451.80

(₹ in million)

		As at March 31, 2021	As at March 31, 2020
10	**Inventories**		
	Valued at lower of cost and net realisable value		
	Trading goods (refer note below)	**456.48**	183.42
	Stores and spares	**438.25**	247.02
		894.73	430.44

Note:

Trading stock includes stock at ATM sites which are not installed as at March 31, 2021 amounting to ₹ 285.59 million (March 31, 2020 - ₹ 63.94 million).

		As at March 31, 2021	As at March 31, 2020
11	**Trade Receivables**		
	Secured and considered good	-	-
	Unsecured and considered good	**2,941.43**	2,236.54
	Credit impaired	**440.77**	334.66
		3,382.20	2,571.20
	Less : Loss allowance	**(440.77)**	(334.66)
		2,941.43	2,236.54
12	**Cash and Bank Balances**		
	Cash and cash equivalents		
	Balances with banks		
	On current accounts	**628.88**	645.34
	In deposits account with original maturity of less than three months	**397.86**	870.03
	Cash on hand	**3.70**	10.33
		1,030.44	1,525.70
	Bank Balances other than above		
	Funds held relating to cash management activity [refer note (i) below]	**69.57**	220.58
	In deposits account with original maturity for less than 12 months but more than three month	**236.20**	11.88
	Margin money deposits [refer note (ii) below]	**89.79**	47.37
		395.56	279.83

i) Funds held relating to cash management activity represents the net funds invested by the Company in one of the services of Cash management business. These include Bank balances and Cash in Vaults as reduced by the amounts payable to customers.

ii) Margin money deposits with carrying amount of ₹ 66.25 million (March 31, 2020 : ₹ 23.54 million) are subject to first charge to secure the Bank guarantees / fixed deposits given by banks on behalf of the Company for pending court cases and deposits of ₹ 23.54 million (March 31, 2020 - ₹ 23.83 million) are subject to first charge to secure the facilities for Vaulting and ATM operations.

(₹ in million)

13(a) Equity Share Capital

	As at March 31, 2021	As at March 31, 2020
Authorised share capital		
173,000,000 (March 31, 2020 - 173,000,000) equity shares of ₹ 10 each	1,730.00	1,730.00
1,500,000 (March 31, 2020 - 1,500,000) 0.01% Optionally convertible cumulative redeemable preference shares of ₹ 100 each	150.00	150.00
	1,880.00	1,880.00
Issued, subscribed and fully paid up shares:		
148,000,000 (March 31, 2020- 148,000,000) equity shares of ₹ 10 each	1,480.00	1,480.00

(i) **Terms and rights attached to equity shares**

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting, except in case of interim dividend which is approved by the Board of Directors.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) **Details of shares held by the holding Company and other shareholders in the Company including details of shareholders holding more than 5% shares in the Company**

	As at March 31, 2021		As at March 31, 2020	
Name of the Shareholder	No of Shares	% Shareholding	No of Shares	% Shareholding
Equity shares of ₹ 10 each fully paid up				
Sion Investment Holdings Pte. Limited	14,80,00,000	100.00%	14,80,00,000	100.00%
Total	14,80,00,000	100.00%	14,80,00,000	100.00%

Notes:

i) As per records of the Company, including its register of share holders / members and other declarations received from shareholders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.

(ii) **Shares reserved for issue under options**

For details of options alloted under employee stock option schemes, refer note 38.

(iii) During the year 2020-21,the Board has paid ₹ 362.60 million interim dividends. The first dividend was declared on May 4, 2020 at the rate of ₹ 1.70 per equity share (17% of the face value of ₹ 10 each) and the second dividend was declared on November 2, 2020 at the rate of ₹ 0.75 per equity share (7.5% of the face value of ₹ 10 each). The dividend distribution tax on the said dividends is ₹ nil million as Company has withheld the tax @ 10% on the Gross dividend and remittance is done net of withholding taxes. The witholding taxes are duly deposited with the Government.

(₹ in million)

13(b) Other equity

		As at March 31, 2021	As at March 31, 2020
A)	**Summary of Other Equity balance**		
	(i) Securities premium		
	Opening balance	42.87	42.87
	Add: Securities premium on shares issued during the year	-	-
	Closing balance	42.87	42.87
	(ii) Share based payment reserve (refer note 38 & 39)		
	Opening balance	386.81	376.33
	Add : Employee stock option compensation cost during the year	19.61	10.48
	Closing balance	406.42	386.81
	(iii) Capital redemption reserve		
	Opening balance	150.00	150.00
	Add: Transfer during the year	-	-
	Closing balance	150.00	150.00
	(iv) Retained earnings		
	Opening balance	6,279.27	5,324.97
	Add: Net profit after tax transferred from Statement of Profit and Loss	1,516.77	1,276.63
	Less: Dividend Paid (including dividend distribution tax)	362.60	321.16
	Other comprehensive income	(0.78)	(1.17)
	Closing balance	7,432.66	6,279.27
	Total	8,031.95	6,858.95

B) Nature and purpose of reserves

(i) **Securities Premium :** The amount received in excess of face value of the equity shares is recognised in Securities Premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium, on exercise of the option.

(ii) **Share based payment reserves :** The fair value of the equity-settled share based payment transactions is recognised in Statement of Profit and Loss with corresponding credit to Share based payment reserves.

(iii) **Capital Redemption Reserve:** The Company has recognised Capital Redemption Reserve on buyback of equity shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the equity shares bought back.

(iv) **Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Standalone Notes to financial statements *(Continued)*
as at March 31, 2021

(₹ in million)

14 Trade Payables

	As at March 31, 2021	As at March 31, 2020
1. Dues of micro enterprises and small enterprises (refer note 31)	38.46	76.45
2. Dues of creditors other than micro enterprises and small enterprises	2,126.38	1,827.61
	2,164.84	1,904.06

15 Other Financial Liabilities

	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Capital creditors	-	-	896.33	76.83
Lease liabilites	924.67	585.99	305.56	231.50
Payable to employees	-	-	214.95	192.32
Accrued expenses	-	-	996.92	940.53
Others	-	-	32.38	-
	924.67	585.99	2,446.14	1,441.18

16 Provisions

	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits				
For gratuity (refer note 27)	10.12	7.61	0.68	0.82
For compensated absences	21.58	19.09	5.77	5.07
	31.70	26.70	6.45	5.89

17 Other Current Liabilities

	Current	
	As at March 31, 2021	As at March 31, 2020
Statutory liabilities (including provident fund, tax deducted at source and others)	83.14	169.05
Unearned revenue	146.16	209.23
	229.30	378.28

(₹ in million)

		For the year ended March 31, 2021	For the year ended March 31, 2020
18	**Revenue from operations** (refer note 41)		
	Sale of ATM and ATM Sites	**1,622.83**	1,354.53
	Sale of products	**683.02**	1,198.50
	Sale of services (refer note 28)	**9,003.16**	9,067.62
	Revenue from operations	**11,309.01**	11,620.65
	Details of products sold		
	ATM Spares and related products	**536.34**	1,110.31
	Cards	**143.70**	76.81
	Others	**2.98**	11.38
		683.02	1,198.60
	Details of services rendered		
	ATM and Cash management services	**7,231.82**	7,564.71
	AMC services	**1,456.40**	1,145.94
	Card Personalisation	**314.94**	356.96
		9,003.16	9,067.61
19	**Other Income**		
	Sundry credit balances written back	**40.46**	-
	Profit on sale of property, plant and equipment (net)	**-**	1.07
	Foreign exchange gain (net)	**12.29**	-
	Profit on sale of current investments	**7.65**	12.92
	Net change in fair value of current investments measured at FVTPL	**2.48**	3.37
	Lease rent concessions	**20.07**	-
		82.95	17.36
20	**Finance Income**		
	Interest income on		
	Bank deposits	**48.73**	14.01
	Loan to subsidiary	**4.29**	13.11
	Security deposits measured at amortised cost	**3.81**	3.46
	Income Tax refund	**-**	7.96
	Financial guarantee income	**3.20**	3.20
		60.03	41.74
21	**Purchase of Traded Goods**		
	Purchase of traded goods	**2,069.54**	1,814.60
	Details of purchases		
	ATM and ATM Sites	**1,534.26**	899.31
	ATM Spares and related products	**416.84**	859.41
	Cards	**118.44**	55.88
		2,069.54	1,814.60

Standalone Notes to financial statements *(Continued)*
for the year ended March 31, 2021

(₹ in million)

		For the year ended March 31, 2021	For the year ended March 31, 2020
22	**(Increase) / Decrease in Inventories**		
	Inventories at the end of the year		
	Traded goods	456.48	183.42
	Inventories at the beginning of the year		
	Traded goods	183.42	282.00
		(273.06)	98.58
23	**Employee Benefit Expense**		
	Salaries, wages and bonus	653.77	631.56
	Contribution to provident and other funds (refer note 27)	36.34	46.62
	Gratuity expense (refer note 27)	5.50	4.97
	Share based payments to employees (refer note 38 & 39)	19.42	10.05
	Staff welfare expenses	35.33	42.75
		750.36	735.95
24	**Finance Costs**		
	Interest on bank overdraft	4.95	3.49
	Interest others	2.06	0.30
	Interest on lease liability	69.58	62.42
		76.59	66.21
25	**Other Expenses**		
	Service and security charges	3,172.79	3,483.88
	Conveyance and traveling expenses	465.24	626.16
	Vehicle maintenance, hire and fuel cost	861.22	954.14
	Consumption of stores and spares	224.04	223.57
	Annual maintenance charges	225.87	168.25
	Lease rentals	6.96	3.96
	Legal, professional and consultancy fees	157.84	151.61
	Courier Freight and forwarding charges	137.12	131.21
	Power and electricity charges	80.54	75.84
	Insurance	169.45	120.66
	Communication costs	33.79	29.04
	Advance written off	-	88.17
	Trade receivables written off	100.84	163.28
	Less : Out of the provision of earlier years	(39.89)	(57.35)
	Impairment allowance for bad and doubtful receivables and deposits	146.00	113.60
	Cash disposal charges	156.01	193.60
	Insurance Claims receivables written off	12.68	14.60
	Less : Out of the provision of earlier years	(11.89)	(14.60)
	Impairment allowance for doubtful insurance claims	-	13.77
	Advances and other Debit balance written off	1.08	6.67
	Less : Out of the provision of earlier years	-	(1.98)
	Cash lost in transit	75.09	16.64
	Repairs and maintenance- Building	0.01	2.99
	Repairs and maintenance- Plant and Machinery	0.35	0.19
	Repairs and maintenance- Others	16.34	21.38
	Loss on sale / write off of property, plant and equipment (net)	0.10	-
	Payment to auditors		
	As auditors:		
	Audit fees	6.00	6.00
	Reimbursement of expenses	0.18	0.28
	Foreign exchange loss (net)	-	6.64
	Expenditure on corporate social responsibility (refer note 33)	30.69	24.90
	Miscellaneous expenses	113.57	101.47
		6,142.02	6,668.57

(₹ in million)

27. Employee benefits *(Continued)*

Defined benefit plan *(Continued)*

The following table summarizes the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for the gratuity plans of the Company.

Statement of Profit and Loss - Net employee benefits expense (recognized in employee cost)

Particulars	March 31, 2021	March 31, 2020
Current service cost	4.88	4.35
Net interest cost	0.62	0.62
Expenses recognized in the Statement of Profit and Loss	5.50	4.97

Net employee benefits expense (recognized in Other Comprehensive Income):

Particulars	March 31, 2021	March 31, 2020
Actuarial (gains) / losses		
- change in demographic assumptions	-	(0.01)
- change in financial assumptions	0.61	1.13
- experience variance (i.e. actual experience vs assumptions)	0.77	0.68
- Return on plan assets, excluding amount recognized in net interest expense	(0.33)	(0.23)
Components of defined benefit cost recognized in other comprehensive income	1.05	1.57

Balance Sheet

Details of provision and fair value of plan assets

Particulars	March 31, 2021	March 31, 2020
Present value of obligation	35.59	31.39
Fair value of plan asset	24.79	22.96
Net liability	10.80	8.43

(₹ in million)

27. Employee benefits *(Continued)*

Changes in present value of obligation

Particulars	March 31, 2021	March 31, 2020
Present value of obligation at the beginning of the year	31.39	29.37
Current service cost	4.88	4.35
Interest expense	2.07	2.22
Re-measurement (gain) / loss arising from		
-change in demographic assumptions	-	(0.01)
-change in financial assumptions	0.61	1.13
-experience variance (i.e. actual experience vs assumptions)	0.77	0.68
Past service cost	-	-
Benefits paid	(4.13)	(6.35)
	35.59	31.39

Changes in the fair value of plan asset are as follows:

Particulars	March 31, 2021	March 31, 2020
Fair value of plan assets at the beginning	22.96	21.13
Investment income	1.51	1.60
Employer's Contribution	-	-
Return on plan assets excluding amount recognized in net interest expenses	0.32	0.23
Fair value of plan assets as at the end	24.80	22.96

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	March 31, 2021	March 31, 2020
Investment with insurer through trust	100%	100%

The Company expects to contribute ₹ Nil (March 31, 2020 - ₹ Nil) to gratuity fund during the annual period beginning after balance sheet date.

The following is the maturity profile of the Company's defined benefit obligation

Particulars	March 31, 2021	March 31, 2020
Weighted average duration (based on discounted cash flows)	9 years	8 years

Expected cash flows over the next (valued on undiscounted basis)	March 31, 2021	March 31, 2020
1 year	2.52	3.06
2 to 5 years	12.91	11.93
6 to 10 years	15.41	13.50
More than 10 years	38.78	33.17

(₹ in million)

27. Employee benefits *(Continued)*

Changes in the fair value of plan asset are as follows: *(Continued)*

The principal assumptions used in determining gratuity benefit obligations for the Company's plan are shown below:

Particulars	March 31, 2021	March 31, 2020
Discount rate	6.40%	6.60%
Salary Growth rate	5.00%	0% (FY 20-21) & 5.00% thereafter
Employee attrition rate	Upto 5 years of service – 25% above 5 years of service – 5%	Upto 5 years of service – 25% above 5 years of service – 5%

The estimates of future salary increases, considered in actuarial valuation, takes in account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

A quantitative sensitivity analysis for the significant assumptions on defined benefit obligation as at March 31, 2021 is as shown below:

	March 31, 2021		March 31, 2020	
Particulars	Decrease in assumption	Increase in assumption	Decrease in assumption	Increase in assumption
Discount Rate (-/+1%)	3.31	(2.87)	2.82	(2.44)
(% change compared to base due to sensitivity)	9.30%	-8.10%	9.00%	-7.80%
Salary Growth Rate (-/+1%)	(2.53)	2.83	(2.22)	2.44
(% change compared to base due to sensitivity)	-7.10%	8.00%	-7.10%	7.80%
Attrition Rate (-/+ 50% of attrition rates)	0.38	(0.46)	0.26	(0.29)
(% change compared to base due to sensitivity)	1.10%	-1.30%	0.80%	-0.90%
Mortality Rate (-/+10% of Mortality rates)	(0.02)	0.02	(0.01)	0.01
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of reporting period.

Other long term employee benefits

In accordance with its leave policy, the Company has provided for leave encashment on the basis of an actuarial valuation carried out by an independent actuary at the end of the year.

Amount of ₹ 8.22 million (March 31, 2020: ₹ 8.29 million) for Compensated absences is recognised as an expense and included in "Employee benefits" in the Statement of Profit and Loss. Accumulated non-current liability amount to ₹ 21.58 million (March 31, 2020: ₹ 19.09 million) and accumulated current liability amount to ₹ 5.77 million (March 31, 2020: ₹ 5.07 million).

(₹ in million)

28. Operating lease

Company as lessee:

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognized at the date of initial application. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at April 1, 2019. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use assets representing the right to use the underlying assets.

The following is the break-up of current and non-current lease liabilities as at March 31, 2021:

Particulars	March 31, 2021	March 31, 2020
Current lease liabilities	305.56	231.50
Non-current lease liabilities	924.67	585.99
Total	1,230.23	817.49

The following is the movement in lease liabilities during the year ended 31 March 2021:

Particulars	March 31, 2021	March 31, 2020
Balance as of April 1	817.49	704.06
Additions	760.40	285.33
Deletions	(165.80)	-
Finance costs accrued during the year	69.58	62.42
Lease rent concession	(20.07)	-
Payment of lease liabilities	(231.37)	(234.32)
Balance as of March 31	1,230.23	817.49

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

Particulars	March 31, 2021	March 31, 2020
Less than one year	305.56	231.50
One to five years	1,019.57	693.97
More than five years	294.61	172.75
Total	1,619.74	1,098.22

The following is the movement in Right-of-use assets during the year ended March 31, 2021:

Particulars	March 31, 2021	March 31, 2020
Balance as of April 1,	794.72	704.06
Additions	760.40	285.33
Deletions	(217.05)	
Depreciation for the year	(156.85)	(194.67)
De-recognition of right-of-use asset	-	-
Balance as of March 31,	1,181.22	794.72

(₹ in million)

28. Operating lease *(Continued)*

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2020 is 8.5%.

The outflow on account of lease liabilities for the year ended March 31, 2021 is ₹ 231.37 million.

Company as lessor: Operating lease receivables

The Company has entered into lease arrangement for its ATM management service business. The lease at inception is classified as operating lease. These leases have terms ranging between five and seven years. Future minimum rentals receivable under non-cancellable operating leases are, as follows:

Particulars	**March 31, 2021**	March 31, 2020
Within one year	**18.05**	123.80
After one year but not more than five years	**21.56**	72.28
More than five years	-	-
Total	**39.61**	196.08

During the current year, the Company has recognised ₹ 116.28 million (March 31, 2020 - ₹ 123.80 million) as income in relation to the above arrangements. These are reported under sale of services (refer note 18). The above lease rentals are fixed monthly fees.

The following are the details of the fixed assets given on operating lease:

Particulars	**March 31, 2021**	March 31, 2020
Gross block value	**1,322.70**	125.06
Less: Accumulated Depreciation	**(184.38)**	(53.46)
Net block value	**1,138.32**	71.60
Depreciation for the year	**86.69**	19.93

(₹ in million)

29. Related party disclosures

(a) Names of related parties and related party relationship

Related parties where control exists	
Ultimate Holding Company	Baring Private Equity Asia GP VI Limited
Parent of Holding Company	Baring Private Equity Asia VI Holdings Pte. Limited
Entities under common control	Vault Co-Investment Vehicle L.P.
Holding Company	Sion Investment Holdings Pte. Limited
Subsidiary Companies and Trusts	CMS Securitas Limited Securitrans India Private Limited Quality Logistics Services Private Limited CMS Marshall Limited (subsidiary of CMS Securitas Limited) CMS Securitas Employees Welfare Trust

Other Related parties	
Key Management Personnel (KMP)	**Whole Time Director & Chief Executive Officer** - Mr. Rajiv Kaul **Chief Financial Officer** - Mr. Pankaj Khandelwal **Non-Executive Independent Directors** - Mrs. Shyamala Gopinath - Mr. Krishna Mohan Sahni(upto 31 March 2021) **Non-Executive Directors** - Mr. Ashish Agrawal - Mr. Jimmy Lachmandas Mahtani **Company Secretary** - Mr. Praveen Soni

(₹ in million)

29(b) Details of transactions with related parties:

	Transactions		Receivable / (Payable)	
	For the year ended	For the year ended	As at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Interest Income				
Securitrans India Private Limited	4.29	13.11	-	-
Guarantee Income				
Securitrans India Private Limited	3.20	3.20	-	-
Remuneration to KMP (short-term employee benefits)				
Mr. Rajiv Kaul	96.48	66.99	(34.89)	(35.52)
Mr. Pankaj Khandelwal	13.21	12.19	(2.78)	(2.63)
Remuneration to non - executive independent directors				
Mr. Gopal Krishna Pillai	-	2.10	-	-
Mrs. Shyamala Gopinath	2.10	2.10	(0.53)	(0.53)
Mr. Krzysztof Wieslaw Jamroz	-	2.10	-	-
Mr. Krishna Mohan Sahni	2.10	-	-	-
Employee stock option compensation cost				
Mr. Rajiv Kaul (refer note 39)	15.69	15.69	-	-
Mr. Pankaj Khandelwal	0.32	1.62	-	-
Sitting fees paid to Directors				
Mr. Gopal Krishna Pillai	-	0.30	-	-
Mrs. Shyamala Gopinath	0.40	0.30	-	(0.10)
Mr. Krzysztof Wieslaw Jamroz	-	0.20	-	-
Mr. Krishna Mohan Sahni	0.40	-	-	-
Service and security charges				
CMS Marshall Limited	438.85	434.62	-	-
CMS Securitas Limited	274.17	286.17	-	-
Securitrans India Private Limited	124.74	188.35	-	(120.07)
Reimbursement of power and electricity and Maintenance				
CMS Securitas Limited	3.55	6.09	-	-
Reimbursement of Insurance Charges				
Securitrans India Private Limited	17.34	24.65	-	-
Reimbursement of Other Expenses				
Securitrans India Private Limited	366.07	454.73	-	-
Loans given during the year				
Securitrans India Private Limited	768.44	875.06	-	-
Loans received back during the year				
Securitrans India Private Limited	992.41	1,433.47	-	-
Balances outstanding at the year end				
CMS Securitas Limited	-	-	(63.07)	(64.59)
CMS Marshall Limited	-	-	(83.97)	(71.01)
Securitrans India Private Limited	-	-	-	223.96

Notes:

(i) As the future liability for gratuity and compensated absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to KMP's is not ascertainable separately and, therefore not included above.

(₹ in million)

30. Contingent liabilities and Capital commitments

(a) Contingent Liabilities:

Particulars	March 31, 2021	March 31, 2020
Claims against the Company not acknowledged as debt		
a) Disputed Customs matter*	**87.91**	42.78
b) Disputed VAT matters*	**247.77**	245.89
c) Disputed Excise matters*	**69.03**	69.03
d) Disputed CST matters*	**6.56**	6.30
e) Disputed Service Tax matters*	**7.05**	-
f) Disputed GST matters*	**0.82**	-
g) Disputed Income tax matters	**118.33**	-
Guarantees given by the Company on behalf of the subsidiary**	**800.00**	800.00
Total	**1,337.47**	1,164.00

Notes:

*In relation to the matters of Custom duty, VAT, CST, Service Tax, GST, Income tax and excise matters listed above, the Company is contesting the demands from the respective Government Departments. The management believes that its position will likely be upheld in the appellate process. No expense has been accrued in the financial statements for these demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

** The Company has given Corporate guarantees in favour of lenders of Securitrans India Private Limited, a subsidiary of the Company amounting to ₹ 600 million (March 31,2020: ₹ 600 million) in favour of the lenders and ₹ 200 million (March 31, 2020: ₹ 200 million) in favour of one of the customers of subsidiary for overnight vaulting facilities.

(b) The estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2021 is ₹ 548.27 million (March 31, 2020: ₹ 66.28 million).

(c) There has been a Supreme Court (SC) judgement dated 28th February 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. The company believes, based on legal opinion, that the liability if any would be prospective from the date of order. Based on such opinion and pending clarification from PF authorities, the company has recorded the cost prospectively from March 2019.

(d) In addition, there are certain civil claims against the Company, the impact of which is not quantifiable. The management is confident, that these matters will not have any material impact in the financial statement.

31. Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

The Company has ₹ 38.46 million (March 31, 2020: ₹ 76.45 million) dues outstanding to the micro and small enterprises as defined in Micro, Small and Medium Enterprise Development Act, 2006. The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

(₹ in million)

31. Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006*(continued)*

Particulars	**March 31, 2021**	March 31, 2020
Total outstanding dues of micro enterprises and small enterprises (as per the intimation received from vendors)	**38.46**	76.45
a. Principal and interest amount remaining unpaid	-	-
b. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
c. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
d. Interest accrued and remaining unpaid	-	-
e. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

32. Impairment testing of Goodwill

Goodwill acquired through business combinations has indefinite life. Out of the total Goodwill of the Company, ₹ 1,221.13 million (March 31, 2020: ₹ 1,221.13 million), relates to the Cash Management division of the Company.

The Company performed its annual impairment test for the year ended March 31, 2021, and March 31, 2020. The Company considers the relationship between its value in use and its carrying value, among other factors, when reviewing for indicators of impairment.

The recoverable amount of the goodwill is determined based on a value in use ('VIU') calculated using cash flow projections from financial budgets approved by management covering a period of five year period and the terminal value (after considering the relevant long-term growth rate) at the end of the said forecast periods. The Company has extrapolated cash flows beyond 5 years using a growth rate of 4% p.a. for the year ended on March 31, 2021 (March 31, 2020: 4%). The pre-tax discount rate applied to the cash flow projections for impairment testing is 13.7% for March 31, 2021 (March 31,2020: 13.7%).

The said cash flow projections are based on the senior management past experience as well as expected trends for the future periods. The calculation of weighted average cost of capital (WACC) is based on the Company's estimated capital structure as relevant and attributable to the CGU. The WACC is also adjusted for specific risks, market risks and premium, and other inherent risks associated with similar type of investments to arrive at an approximation of the WACC of a comparable market participant. The said WACC being pre-tax discount rates reflecting specific risks relating to the relevant CGUs, are then applied to the above mentioned projections of the estimated future cash flows to arrive at the discounted cash flows.

The key assumptions used in the determination of VIU are the revenue annual growth rates and the EBITDA growth rate.

Based on the above assumptions and analysis, no impairment was identified as at March 31, 2021. Further, on the analysis of the said calculation's sensitivity to a reasonably possible change in any of the above mentioned key assumptions / parameters on which the Management has based determination of the CGU's recoverable amount, there are no scenarios identified by the Management wherein the carrying value could exceed its recoverable amount.

(₹ in million)

33. Expenditure on corporate social responsibility

As per section 135 of the Act, a CSR committee has been formed by the Company. The funds are utilized throughout the year on activities which are specified in Schedule VII of the Act. Gross amount required to be spent by the company during the year is ₹ 29.35 million (March 31,2020 ₹ 24.90 million).

Particulars		**March 31, 2021**			March 31, 2020		
	Amounts spent during the year :-	**In cash**	**Yet to be paid in cash**	**Total**	In cash	Yet to be paid in cash	Total
(i)	Construction / acquisition of any asset	-	-	-	-	-	-
(ii)	On purpose other than (i) above	**30.69**	-	**30.69**	24.90	-	24.90

34. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's financial assets and financial liabilities.

Quantitative disclosures fair value measurement hierarchy as at March 31, 2021:

	Cost	Fair value	Level 1	Level 2	Level 3
Assets measured at fair value					
FVTPL financial investments					
Investment in mutual fund units	**950.78**	**953.27**	**953.27**	-	-

Quantitative disclosures fair value measurement hierarchy as at March 31, 2020:

	Cost	**Fair value**	**Level 1**	**Level 2**	**Level 3**
Assets measured at fair value					
FVTPL financial investments					
Investment in mutual fund units	550.00	553.37	553.37	-	-

The fair value for the investments is arrived at with reference to the Net asset value (NAV) of the mutual fund units as disclosed by the Asset Management Company.

The management assessed that cash and cash equivalents, trade receivables, trade payables, and other current financial assets and financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further the difference between carrying amount and fair value of loans to subsidiary, deposit measured at amortised cost is not significantly different in each of the year presented.

Break up of financial assets carried at amortised cost

Particulars	**March 31, 2021**	March 31, 2020
Trade receivables	**2941.43**	2,236.54
Cash and cash equivalents	**1,030.44**	1,525.70
Other bank balances	**395.56**	279.83
Other financial assets	**1,849.88**	1,677.81
Total financial assets carried at amortized cost	**6,217.31**	5,719.88

(₹ in million)

34. Fair value hierarchy *(Continued)*

Break up of financial liabilities carried at amortised cost

Particulars	March 31, 2021	March 31, 2020
Trade payables	2,164.83	1,904.06
Other financial liabilities	3,370.81	2,027.17
Total financial liabilities carried at amortised cost	**5,535.64**	3,931.23

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

35. Financial risk management objectives and policies

The Company through it operations is exposed to credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The senior management reviews and agrees policies for managing each of these risks, which are summarised below.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

Trade receivables

Customer credit risk is managed by the Company's established policy. To minimise the risk from the counter parties the company enters into financials transaction with counter parties who are major names in the industry.

A significant risk in respect of receivables is related to the default risk and credit risk. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of receivables disclosed in Note 11. The Company does not hold collateral as security.

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Trade receivables concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse.

(₹ in million)

35. Financial risk management objectives and policies *(Continued)*

The following table provides information about the exposure to credit risk from customers:

Gross Carrying Amount	March 31, 2021	March 31, 2020
Current (not past dues)	675.10	995.84
1 to 30 days past dues	1,031.90	488.23
31 to 60 days past dues	506.30	321.78
61 to 180 days past dues	529.10	525.99
Above 180 days past dues	639.80	239.36
Grand Total	**3,382.20**	2,571.20

The above exposure includes three customers whose individual credit exposure exceeds 10% of total trade receivables.

Movement in allowance of impairment in respect of trade receivables:

Particulars	March 31, 2021	March 31, 2020
Balance as at April 01	334.66	278.41
Amounts written off (Net)	(39.89)	(57.35)
Net re-measurement of loss allowances	146.00	113.60
Balance as at March 31	440.77	334.66

Other receivables

Security deposits are interest free deposits given by the company for properties taken on Lease. Provision is taken on a case to case basis depending on circumstances with respect to non-recoverability of the amount. The gross carrying amount of Security deposit is ₹ 75.77 million as at 31st March 2021 and ₹ 81.04 million as at 31st March 2020.

Other financial asset includes Loans to subsidiary, claims receivable, Unbilled revenue and other receivables (refer note 7). Provision is made where there is significant increase in credit risk of the asset.

Movement in allowance of impairment in respect of other receivables:

Particulars	March 31, 2021	March 31, 2020
Balance as at April 01	86.42	87.25
Amounts written off (Net)	(11.89)	(14.60)
Net re-measurement of loss allowances	-	13.77
Balance as at March 31	74.53	86.42

(₹ in million)

35. Financial risk management objectives and policies *(Continued)*

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The Company has sufficient current assets comprising of Trade Receivables, Cash & Cash Equivalents, Investment in Mutual Funds, Other Bank Balances (other than restricted balances), Loans, Inventories and Other Current Financial Assets to manage the liquidity risk, if any in relation to current financial liabilities.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit, working capital demand loan and bank loans. The Company has access to a sufficient variety of sources of funding. The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2021:

Particulars	On demand	Within 12 months	1 to 5 years	Above 5 years	Total
Trade payables	-	2,164.83	-	-	2,164.83
Other financial liabilities	-	2,446.14	1,019.57	294.61	3,760.32
Total	-	4,610.97	1,019.57	294.61	5,925.15

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2020:

Particulars	On demand	Within 12 months	1 to 5 years	Above 5 years	Total
Trade payables	-	1,904.07	-	-	1,904.07
Other financial liabilities	-	1,441.18	693.97	172.75	2,307.90
Total	-	3,345.25	693.97	172.75	4,211.97

Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximize the shareholder value.

(₹ in million)

35. Financial risk management objectives and policies *(Continued)*

Capital management*(Continued)*

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. The Company does not have any loans outstanding as at March 31, 2021. It has taken adequate credit facilities from various banks to maintain its liquidity.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

36. Provision for warranty

A provision of ₹ NIL as at March 31, 2021 (March 31, 2020: ₹ NIL) is carried against expected warranty claims on sale of ATM sites and related products as at March 31, 2021. The provision is recognized based on historical experience and expected costs that will be incurred on providing repairs and maintenance services during the warranty period. Assumptions used to calculate the provision for warranty is based on current sales levels and current information available based on the warranty period for the ATM sites and related products sold. The table below gives information about movement in warranty provision during the year ended March 31, 2021 and March 31, 2020.

Particulars	**March 31, 2021**	March 31, 2020
At the beginning of the year	**0.00**	19.56
Arising during the year	-	-
Utilized/reversed during the year	-	(19.56)
Unwinding of finance cost	-	-
At the end of the year	**0.00**	0.00

37. Operating Segment

Since the segment information as required by Ind AS 108-Operating Segments is provided in consolidated financial statements, the same is not provided in the Company's separate financial statement.

(₹ in million)

38. Employee Stock Option Schemes

The Company has granted stock options to its employees through its equity settled schemes referred to as Employee Stock Option Scheme 2016, CEO Stock Option Scheme 2016 and Management Scheme 2016. Following are details of the scheme:

Particulars	Employee Scheme	CEO Scheme	Management Scheme
Number of options reserved under the scheme	4,604,444	9,866,667	1,973,333
Number of option granted under the scheme	4,175,000	9,866,667	-

The vesting period of the grants is as follows:

Vesting Period	Employee Scheme		CEO Scheme
	Time Based	Performance Based*	Time Based
12 months from date of grant	25%	0.00%	100%
21 months from date of grant	8.33%	16.67%	-
33 months from date of grant	8.33%	16.67%	-
45 months from date of grant	8.34%	16.66%	-

*For options granted under Employee scheme, 21st month vesting will be based on Company / business unit performance for the second financial year after the financial year in which the options have been granted and so on. The performance condition are assessed as non-market condition.

The vested options can be exercised by the employees only upon happening of liquidity event. In case of listing, being a liquidity event, the vested options can be exercised within 1 year of the date such options are vested in case of employee scheme and within 2 years from date of such options vested in case of CEO scheme. In any other liquidity event, the vested options can be exercised within such period as may be prescribed by the Board in this regard.

(₹ in million)

38. Employee Stock Option Schemes *(Continued)*

The following table summarises the movement in stock options granted during the year:

Particulars	March 31, 2021		March 31, 2020	
	Employee Scheme	CEO Scheme	Employee scheme	CEO Scheme
Outstanding at the beginning of the year	3,555,750	9,866,667	3,809,409	9,866,667
Granted during the period	-	-	125,000	-
Forfeited / cancelled during the period	(34,000)	-	(378,659)	-
Exercised during the period	-	-	-	-
Expired during the period	-	-	-	-
Outstanding at the end of the year	3,521,750	9,866,667	3,555,750	9,866,667
Weighted average exercise price of options (in ₹) :				
Outstanding at the beginning of the year	125	123	125	123
Granted during the year	-	-	-	-
Outstanding at the end of the year	125	123	125	123
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years)	0.04	-	0.07	-
Weighted average fair value of options granted during the period / year (in ₹)	-	-	-	-

The Company has used Black Scholes option pricing model. The following tables list the inputs to the models used for the both Employee and CEO plans

Particulars	Assumptions	
	March 31, 2021	March 31, 2020
Dividend yield (%)	0%	0%
Expected volatility (%)	25% - 29%	25% - 29%
Risk–free interest rate (%)	6%	6%
Expected life of share options (years)	3.7 years	3.7 years
Weighted average fair value per share (in ₹)	143	143

The expected life of the share options is based on current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome. The historical volatility is based on price volatility of listed companies in same or similar industry. The company has allotted employee stock options to some of its employees through its Employee Stock Option Scheme. Over the year's 653,250 stock options has expired and lapsed on account of employees left the organization. During the current year, reversal on account of such expired options is recognised in the profit and loss account aggregating to ₹1.06 million. The Company has recognized ₹4.78 million, (March 31, 2020 – ₹ 8.96 million) as employee benefit expense in relation to all the active options outstanding as at March 31,2021.

(₹ in million)

39. Agreement between Promoters and CEO

On September 26th, 2017, Vault Co-Investment Vehicle L.P. ("Vault L.P."), a limited liability partnership incorporated in the Cayman Islands and controlled by Barings Private Equity Asia GP VI Limited, the ultimate promoter of SION Investment Holdings Pte. Limited ("Sion"), the holding company, entered into an agreement with Chief Executive Officer of the Company (CEO) pursuant to which, the CEO was granted options under the stock option plan of Vault L.P. These options vested immediately to entitle base units in Vault L.P. to the extent of amount equivalent to 0.61% of the value of the Company for a consideration equivalent to such value of the Company as per the terms and conditions of the agreement. As per the plan, the base units are entitled for upward adjustment subject to fulfilment of certain market and service conditions.

Upon redemption of base or adjusted base units, CEO will receive from Vault L.P., an amount equivalent to value of the Company vis-vis such units at the time of sale of Sion's shareholding in the Company subject to certain conditions set out in the agreement.

Since the option granted to CEO is for the services rendered to the Company, the Option has been valued considering the various probable scenarios and using specific assumptions relating to expected volatility and risk free return. The total charge over the period of vesting estimated is Rs. 70.20 million. The charge recognized during the current year is ₹ 15.69 million (March 31, 2020: ₹ 15.69 million)

40. List of entities controlled by the Company are:

Sr. No	Name of Company / trust	Country of incorporation	Percentage of ownership interest and voting rights as at	
			March 31, 2021	March 31, 2020
1	Securitrans India Private Limited ('SIPL')	India	**100**	100
2	CMS Securitas Limited ('CSL')	India	**100**	100
3	CMS Marshall Limited ('CML')	India	**100**	100
4	Quality Logistics Services Private Limited	India	**100**	100
5	CMS Securitas Employees Welfare Trust	India	**100**	100

The investments in the subsidiaries are accounted for at cost in the standalone financial statements.

41. Ind AS 115 Revenue from Contracts with Customers

Sale of Product

The Company applies practical expedient in paragraph 121 of IND AS 115 for all contract entered for sale of product and does not disclose information about remaining performance obligation that have original expected duration of one year or less.

(₹ in million)

41. Ind AS 115 Revenue from Contracts with Customers *(Continued)*

Revenue for services

The Company applies practical expedient in paragraph 121 of IND AS 115 for all contract entered for revenue from services, whereby it has right to receive consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date. Hence the Company does not disclose information of remaining performance obligation of such contracts.

Disaggregation of revenue from contract with customers

Revenue from sale of goods is recognised at point in time when control of the products being sold is transferred to our customer and Revenue from services is recognised over time as and when services are rendered. Revenue from contracts with customers is disaggregated by primary business units as given in the note 18.

Reconciliation of revenue recognized with contracted price

Particulars	March 31, 2021	March 31, 2020
Contracted Price	11,536.23	11,723.96
Reduction (Rebate/discount)	(227.22)	(103.32)
Revenue recognised as per the statement of profit and loss	**11,309.01**	11,620.64

Movement of Deferred Contract Liability (unearned revenue)

The deferred contract liability relates to the consideration received/receivable from customers, for which services have not been provided and revenue is deferred for the year.

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	209.21	0.06
i) Addition during the year (Net)	99.17	209.21
ii) Income recognised during the year	(162.22)	(0.06)
Closing Balance	**146.16**	209.21

Revenue expected to be recognised in the future from Deferred Contract Liability:

Time Band	As at March 31, 2021	As at March 31, 2020
within 1 years	146.16	171.61
1 - 2 Year	-	9.40
2 - 3 Year	-	9.40
3 - 4 Year	-	9.40
4 – 5 Year	-	9.40
Total	**146.16**	209.21

Obligations for returns, refunds and other similar obligations:

There are no obligation for returns, refunds and other similar obligation as at March 31, 2021 and as at March 31, 2020.

CMS Info Systems Limited

Standalone Notes to financial statements *(Continued)*

for the year ended March 31, 2021

(₹ in million)

42. Impact of Corona Virus outbreak (COVID-19)

In the short term, Company has adequate resources to sustain the impact of Covid-19. We do not foresee any material adverse impact in the medium to long term on the business. Based on our current assessment, no significant impact on carrying value on goodwill, inventory, trade receivables, intangible assets, investments and other financial assets is expected. The actual impact of global pandemic could be different from estimated, as the COVID scenario evolves in India. The company will continue to closely monitor any material changes to future economic conditions.

43. As per amendments in the Income Tax Act, 1961, new Section 115BAA has been introduced with effect from FY 2019-20 (AY 2020-21) to provide an option for a concessional tax at the rate of 22%. The Company has evaluated and opted for concessional tax rate in the previous year.

44. Previous year figures have been regrouped / reclassified, where necessary, to conform to this year classification.

Particulars	Note No.	Amount as per previous period financials	Adjustments	Revised amount for previous year
Statement of Profit and Loss				
Sale of ATM and ATM Sites	18	1,412.06	(57.53)	1,354.53
Sale of services	18	9,010.08	57.53	9,067.62
Purchase of traded goods	21	1,832.01	(17.42)	1,814.60
Annual maintenance charges	25	150.83	17.42	168.25

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No. 112399

Mumbai
25 May 2021

For and behalf of Board of Directors of
CMS Info Systems Limited
CIN: U45200MH2008PLC180479

Ashish Agrawal
Director
DIN No: 00163344
Place: Mumbai

Rajiv Kaul
Whole Time Director and Chief Executive Officer
DIN No.: 02581313
Place : Texas, USA

Pankaj Khandelwal
Chief Financial Officer
Place: Mumbai

Praveen Soni
Company Secretary
Membership No. FCS 6495
Place: Jaipur