

TRANSCRIPT OF 15TH ANNUAL GENERAL MEETING OF CMS INFO SYSTEMS LIMITED HELD ON, WEDNESDAY, SEPTEMBER 21, 2022 AT 03.00 P.M. (IST) THROUGH VIDEO CONFERENCING

– **Mrs. Shyamala Gopinath - Chairperson, CMS Info Systems Ltd:**

Good afternoon, shareholders. Hope I'm visible and audible. I'm Shyamala Gopinath, Chairperson and Non - Executive Director of the Company and attending this AGM from the company's corporate office at Mumbai. I have great pleasure in welcoming you all to this 15th Annual General Meeting of your company and the first as a listed company. Hope you and your family are healthy and safe. Considering the safety of the shareholders due to COVID-19 pandemic, your company's annual general meeting is being conducted through videoconferencing in compliance with the circulars issued by the Ministry of Corporate Affairs as well as the Securities and Exchange Board of India.

Your company has taken required steps to enable shareholders to participate in this meeting and vote on the resolutions as set out in the notice of the 15th Annual General Meeting. Now, it's a pleasure to introduce Mr. Rajiv Kaul, our Executive Vice Chairman and CEO and the Chairman of the CSR Committee and Member of the Stakeholders Relationship Committee. Prior to his association with our company, he was associated with Actis Capital LLP, London, as a partner and with Microsoft Corporation, India Private Limited in the capacity of Managing Director, India. Mr. Rajiv Kaul is attending this AGM from our corporate office at Mumbai.

I now request Mr. Rajiv Kaul to introduce our fellow board members and participants in the AGM.

– **Mr. Rajiv Kaul - Executive Vice Chairman and CEO, CMS Info Systems Ltd:**

Thank you, ma'am. It's my pleasure to introduce our esteemed board members who are attending this AGM through video conferencing. First Mrs. Gopinath, who is our Chairperson and Non-Executive Director of the Company, and is attending this AGM from our corporate office in Mumbai. She is also the Chairperson of the Risk Management Committee and Member of the CSR Committee and the Stakeholders Relationship Committee. In the past, she has served as the Deputy Governor of the Reserve Bank of India and Chairperson of HDFC Bank Limited. Currently, she serves on some very notable boards of leading companies like Colgate Palmolive, Tata Elxsi, and CRISIL Limited.

Next, it's my honour to introduce Mr. Tapan Ray. Mr. Ray is an Independent Director of the company and is attending the meeting from Gandhinagar, Gujarat. He is the Chairperson of our Audit Committee, the Nomination and Remuneration Committee and the Stakeholder Relationship Committee. He is also a member of the Risk Management Committee. Mr. Ray is the retired senior IAS officer, having served the government of India in several roles, including the Secretary to the Ministry of Corporate Affairs, currently he serves as the Managing Director and Group Chief Executive Officer of the GIFT City in Gujarat.

I would like to next introduce our Director, Mrs. Manju Agarwal, who's an Independent Director of the company, and is attending the meeting from her residence in Noida. She's a member of our Audit Committee as well as the Nomination and Remuneration Committee. In the past, she has served as Deputy Managing Director of State Bank of India, and is currently on boards of leading companies like Glenmark Life Sciences, IFFCO Kisan Finance, and Paytm Payments Bank.

Our next Director is Ms. Sayali Karanjkar, who's an Independent Director and is attending this meeting from our company's corporate office in Mumbai. She's a member of our CSR Committee. Prior she was the Co-Founder of a leading FinTech company Paysense. And then she also was Chief Business Officer of PayU Credit India. Sayali works on boards of leading FinTech companies in India like One MobiKwik Systems and Zaak-ePayment Services.

I would like to next introduce Mr. Krzysztof Wieslaw Jamroz, who is a Non-Executive Director and is attending this meeting from Bali in Indonesia. He is a member of a CSR Committee, Stakeholders Relationship Committee and the Risk Management Committee. He currently serves as Executive Chairman of the Board of Roadrunner Transportation Systems in the US, and also as the Executive Chairman of Ascent Global Logistics in the USA. Prior he was the President and Chief Operating Officer of a leading cash management business of GardaWorld Corporation in the United States.

From our CMS leadership team, we have Mr. Pankaj Khandelwal, our CFO; Mr. Anush Ragman, our President of the Cash Management Business; Mr. Pradeep Chandan, Head of CS and Compliance, and Mr. Praveen Soni, our Company Secretary, who are all participating in this meeting through video conferencing from the corporate office in Mumbai.

We also have representatives of your company's Statutory Auditor, Messrs BSR and Co LLP, Chartered Accountants; Internal Auditor, M/s. Grant Thornton Bharat Limited LLP and Secretarial Auditor, M/s. M Siroya and Company who have also joined this meeting through video conferencing.

I will now request Mr. Praveen Soni, our Company Secretary to brief you about the process for the technical and statutory requirements for participating in the AGM.

– **Mr. Praveen Soni - Company Secretary, CMS Info Systems Ltd:**

Thank you, Rajiv. Good afternoon, esteemed shareholders of the company. I am Praveen Soni, Company Secretary and Compliance Officer of your company. Although by now, most of you have an experience of joining and participating in the AGM through videoconferencing. Still for the benefit of the shareholders who are joining for the first time via videoconferencing. I would like to take you through certain procedural and technical aspects for smooth functioning of this meeting. All shareholders of the company who have joined this meeting are by default placed on mute mode by the host to avoid any disturbances arising from the background noise and to ensure smooth and seamless conduct of the meeting.

During the question and answer session, the name of the speaker shareholder will be called out and thereafter he or she will be unmuted by the host. Before speaking the speaker shareholder are requested to click on the video button. Speaker shareholders are requested to ensure that audio video should be enabled and working properly. If you are unable to use the video mode, then you can speak through the audio mode. Please use your earphone or headphones, if possible, so that you are clearly audible. Ensure that you have adequate background lighting at your place. Cable connectivity issue at the speaker end, the moderator will mute such speaker and the next speaker will be invited to speak. Once the connectivity improves, the speaker shareholder will be invited again to speak. Now I request Madam Shyamala Gopinath, Chairperson of the Company to kindly take the meeting forward. Thank you.

– **Mrs. Shyamala Gopinath - Chairperson, CMS Info Systems Ltd:**

Thank you. The required quorum for this meeting is present. And with your permission, I shall commence the proceedings of the AGM. The notice convening the Annual General Meeting and the annual report have already been circulated to the shareholders of the company on 30th August 2022. And with your permission, I take the notice dated 9th May, 2022, convening the 15th Annual General Meeting as read. As a statutory auditor's report on the annual financial statements of the company for the financial year ended 31st March, 2022. And the secretarial auditor's report does not contain any qualifications, observations, comments or other remarks. The same are also taken as read. The company has received corporate representation under Section 113 of the Companies Act 2013 from shareholders holding 9,70,74,075 equity shares, representing 63.01% of the paid up equity capital of the company. Since the annual general meeting is held virtually the requirements of the appointment of proxy is not applicable. The registers maintained under the Companies Act 2013 are open for inspection electronically. Shareholders may send requests to Mr. Praveen Soni, Company Secretary for inspection of any documents mentioned in the AGM notice.

I now request Mr. Rajiv Kaul, Executive Vice Chairman and CEO to make a presentation to the shareholders.

– **Mr. Rajiv Kaul - Executive Vice Chairman and CEO, CMS Info Systems Ltd:**

Thank you, ma'am. I would like to take you all quickly through the highlights of our company's performance for the last fiscal year. We are India's leading business services platform. We have two large businesses around logistics and technology. The logistics business focuses on cash management solutions and the technology businesses around offering technology outsourcing services to large banks and NBFC's in the country. Your company, the market leader in five of our eight business lines, we are the clear number one in the country.

In our largest business of cash management, we have almost a 40% market share in the business, very robust company financially, revenue of close to Rs. 1,600 Crores last year at a very strong PAT of Rs. 224 Crores. Our high operating cash flow to EBITDA ratio tells you about how the company is focused on a very strong

cash flow generation. All of this is built on a lot of investment over the last decade. We are and have one of the most extensive distribution networks in the country, which is across 16,000 pin codes and on which we have a fleet of more than 4,000 vehicles which run on it which service close to 1, 50,000 business points, whether they are ATM sites or they could be retail stores, which we manage on this extensive network of the country.

In our new business in the technology solutions business, we have been investing and we have managed to win a very strong order book of almost Rs. 2,500 Crores in the last couple of years. To give you a quick highlight of financials of last year audited financials, our revenue growth in FY22 was a very robust 22%. Our EBITDA and PAT have both grown at a fast 33% growth. In fact, our PAT over the last three years cumulatively, as you can see has grown from Rs. 99 Crores to Rs. 225 Crores, which is a CAGR of 32% all these years, despite the fact that almost a year and a half the country was reeling under the COVID epidemic. We are investing in this growth very robustly and we're very confident about growth prospects. In the fiscal year 2022, we invested almost Rs. 250 Crores of capital, despite which our ROCE, post-tax is a very healthy 23.4%. We ended the year Rs. 278 Crores of cash in books. We look at our EBITDA margin profile of the business, over the last three years, we can see how we have expanded our EBITDA profile of the business from 16% by 930 bps to 25.3%. And like we can see in PAT, our PAT has grown from 8.6% margin to a 14.1% margin. These are very strong financials for a business services company anywhere in the globe.

To dive deeper, into the largest business of cash management, which is close to 68% of our revenue, the revenue in that business grew at 22% to close to Rs. 1,100 Crores revenue last year, and the EBIT grew at a rapid 30% pace to Rs. 265 Crores. The total currency handled by a company last year grew to almost Rs. 11 lakh Crores of cash, which was a 22% year-on-year growth for us. Across this business, we manage more than 1, 13,000 business points, which is a mix of both ATM business points and retail points which we manage across the network of the country. And as you can see our EBIT profile, EBITDA profile has grown sustainably over the last several years, primarily due to the deep network we have. The investments we have done in creating distribution in Tier 4, Tier 5 in the real Bharat and also automating a lot of our processes and systems.

I want to next talk about our managed services business, which is a business we all sort of started in 2015- 2016, rapidly over the last five, six years this business has grown from zero to almost touch a Rs. 500 Crore revenue last year in FY22. In fact, the revenue last year grew to 34% and the EBIT margins are growing very healthily, almost 48% EBIT growth to Rs. 81 Crores. After a lull during the COVID period, the ATM base in India, we saw it growing, the banks are investing in creating a network and almost 15,000 ATMs were added in the country. The ATMs which CMS manages under the Managed Services Technology offering have extended and have grown by 20% to 12,000 sites. And it is this business, we are able to go and win a very strong order book, which gives us a lot of visibility for future growth potential from the sector.

I also have the pleasure to share with you a very good results in a new business, a new business which we incubated in 2021 in the middle of COVID. This is an artificial intelligence and IoT based remote monitoring business which we have created, which is world class, we have invested almost Rs. 100 Crores in this business to create a certain certified command and control center. And to build a software platform using machine learning and artificial intelligence, which can help banks and NBFC's remotely monitor a lot of their sites at a very low cost. We have had tremendous response to our technology offering and in a short period of 18 months, actually less than 18 months, we have won an order book for 25,000 sites, which is quite a record by itself. And then very fast execution from our team has resulted in 15,000 sites going live in the last one year. And these 15,000 sites are almost serving 1.5 million, 15 lakh alerts every month to safely protect the sites which we are remotely monitoring using software. This business is one of the best in B2B class business growing from zero to Rs. 100 Crore run rate this year, in less than 12 to 15 months. So it's a fantastic technology service which we have started, which is growing amazingly very fast and hopefully will continue to do very well in the coming years.

In addition to business, I think as a company we take a lot of pride in what we do and how we serve the communities around us given the fact that we are present in every corner of India, from North to Northeast to South to West. We have more than 23,000 team members which serve our customers every day, we do take a lot of pride in being the first company which can always respond to any crisis which can affect any community. This could be natural disasters, floods, landslides, or it could be something like the COVID pandemic, where we working tirelessly on the ground as a frontline in helping trying to serve the communities which are the fabric of India.

In FY22, we had a CSR spend of almost Rs. 3.7 Crores, which we have focused on three areas of livelihood, education and health care. In terms of livelihood, our focus has been on village development, and how we can help create sustainable employment or village development which can sustain itself for many years. And how do we also help the environment in those areas. We have seven key partners, which is Goonj and Manu Vikas and Project Chirag in the area of livelihood, Lead Forward, and Bharatiya Gram Vidyalaya in the area of education, enhanced foundation and basic health care services in the area of health care.

In addition to these core seven NGO partners, we have also supported 13 and other NGOs with the country through our CSR efforts. And we will have a short video later which will tell you about the CSR efforts of your company.

To summarize and to go beyond when I think of where we are in FY23. And when I think of the future, I first want to talk to you about the Frost and Sullivan report, which talks about the potential target addressable market, of the sector's your company's operating end, this is roughly a \$1 billion market in FY21 and is expected to grow by 2.6x times in six years to Rs. 22,000 Crores, and any service line we are in right now whether this cash management or remote monitoring all have the potential for strong double digit growth. Keeping this in view, your company's management team has set an ambitious goal target for the midterm, in

FY25, we have targeted to be at approximately a Rs. 2,600 Crore revenue, which is going to be doubling our revenue from the FY21 revenue base of Rs. 1,300 Crores which is to target a 18% CAGR growth over this four-year period of time.

I hope some of you have had the chance to read our annual report and our letter to our shareholders, in which we also set out broader long-term targets of the company in FY30. So as a management team, we take a lot of pride in focusing on the long term, we have a clear midterm goal, we have a very visible long-term opportunity. And we are thankful to have you and your belief and your support. And we hope to have your blessings as we go as we move forward to help achieve this for all of our shareholders and stakeholders. Thank you.

– **Mrs. Shyamala Gopinath - Chairperson, CMS Info Systems Ltd:**

Thank you Rajiv for the presentation on the company's performance and future prospects. As per the provisions of the Companies Act 2013 and the rules made thereunder. The company is required to provide remote e-voting facility to its shareholders, which was provided from Sunday the 18th of September 2022 from 9 a.m. to Tuesday 20th September 2022 till 5 p.m. For the benefit of the shareholders who have participated in the meeting and have not cast their votes through remote e-voting, we have provided the facility for electronic e-voting and the shareholders can exercise their votes during the course of the meeting. All the three resolutions are set out in the notice of the 15th AGM are proposed to be passed by means of e-voting. Mr. Mukesh Siroya, proprietor of Messrs. M Siroya and Company, company secretaries has been appointed as a scrutinizer for the evoting. I now request Mr. Pradeep Chandan, to explain the procedure for evoting to enable you to cast your vote.

– **Mr. Pradeep Chandan - Head, CS & Compliance, CMS Info Systems Ltd:**

Yes, thank you, madam. Good afternoon, ladies and gentlemen. NSDL has been engaged by the company to provide e-voting facilities. And this e-voting facilities is only to those shareholders who are not yet cast their votes. And shareholders can now cast their votes by visiting the NSDL website. And these resolutions are already put to vote through e-voting, there will not be any proposing and seconding of the resolutions. So with this, let me also brief you about the three resolutions as set out in our 15 General Meeting notice. The first item relates to the approval and adoption of the audited standalone and consolidated financial statements of the company for the year ended 31st March, 2022. Together with the report of Board of Directors and auditors thereon.

The second item is pertaining to the declaration of final dividend on the equity shares of the company for the year ended 31st March, 2022.

The third item relates to the reappointment of Mr. Jimmy L. Mahtani, who is retiring by rotation and being eligible, he offers himself for reappointment. Thank you.

– **Mrs. Shyamala Gopinath - Chairperson, CMS Info Systems Ltd:**

I will now invite the shareholders of the company who have registered themselves as the speakers for this AGM. I request all the speaker shareholders to be brief and not to repeat the questions or queries already raised by the other speakers and limit their speech to three minutes. I request Mr. Pradeep Chandan to call out the names one by one as per the order of names written in the speaker's list.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Thank you, Madam. We have the first speaker. Mrs. Mascarenhas. Madam, we request you to unmute your mike and switch on your camera to speak.,

- **Mrs. C. E Mascarenhas - Speaker Shareholder:**

you can see my photo also and audio also, you can hear?

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Yes Madam, you are audible and visible

- **Mrs. C. E Mascarenhas - Speaker Shareholder:**

Respected Chairperson, Shyamala Gopinath, Executive Vice Chairman and CEO, Rajiv Kaul, other board members, my fellow shareholders, I am Mrs. C. E Mascarenhas, Speaking from Mumbai. First of all, I thank the company secretary and his team for sending me an e-annual report and registering me as a speaker. Now, I come for the working, our working is very good. And what is more important, our IPO was priced at Rs. 216 per share, which is very good. And now it is more than double, not like some shares where shareholder lost his money. So here, there is great blessing on our company, because the shareholders have gained here. So I congratulate the entire team and the management for giving us so good return, and also on the market, and also sort of being very important allowing us to come into such a prestigious company with this IPO, we have become a member of this prestigious company. Now I thank you for all the CSR work, I appreciate for the awards, accolades. I congratulate and I look out for some ESG where as and when you're rated. Now my queries, our cash management, whether is done for SBI and other PSU. So who is our competitor? And what is our market share? Managed ATM, what is the margin and market share we get in this? Now with after demonetization UPI has gained more sort of recognition through Google Pay. So all these digital platforms, will this affect our ATM business? Then the CMS remote monetary capabilities that is software solutions. We are using and developed ALGO, world's first AI base ATM security software. So how much we will be benefited by this. Madam, we have many managing kiosks in India of the largest bank SBI whether you are managing the kiosks of the other bank. Remaining, I supported all the resolutions. I wish my company all the best and especially we should all help the entire team help because I believe health is wealth. With this, thank you so much.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Yes. Our next speaker is Mr. Aloysius Mascarenhas.

Mr. Aloysius Mascarenhas - Speaker Shareholder:

Hello. Can I proceed?

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Yes, please go ahead.

- **Mr. Aloysius Mascarenhas - Speaker Shareholder:**

Respected Chairman, very distinguished members of the board and my fellow shareholders. Good evening to you all. My name is Aloysius Mascarenhas. At the outset I thank the management, company secretary and the team and chairman and secretary, I know them personally for quite some time. So many questions have been asked by my predecessor shareholders. I would like to know the ATM you all are managing and 4,000 plus vehicles you all are having. Now this ATM you all are managing are the ATM sir belong to you and the vehicles, are all the vehicles belonging to the company or on hire. Many questions have been asked by my predecessor shareholders. So I don't want to speak long. There are many more meetings in the pipeline. So today so I will end my speech wishing the Chairperson and the Board of Directors and secretary and staff all the very best in the days and years to come. We are in the midst of a festive season. We wish each one of you a very happy, festive season. And above all, take care of health and be safe. Thank you. Thank you very much for patient hearing. God bless you and our company.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Thank you, Mr. Mascarenhas. Our third speaker is Mrs. Asha Lata Maheshwari.

- **Mrs. Asha Lata Maheshwari - Speaker Shareholder:**

Can you hear me, Chairman Saab? Myself Asha Lata Maheshwari. Can you hear me?

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Yes, very clearly.

- **Mrs. Asha Lata Maheshwari - Speaker Shareholder:**

Okay. Shri Chairman Saab, all director brothers, greeting from me. My name is Asha Lata Maheshwari. I am attending first time this meeting. I read annual report and I felt so happy that I want to welcome with flowers. You have taken company to new heights with your hard work and dedication. Sales have increased, EBITDA increased, 30% net worth increased, profit increased 30%. This is the result of your leadership. I want to say few words. *'Yuhi hasil karo safalta, ek din aap itihars rachao, par karo aaj vada ko aap sare jag mein cha jao'*. If you keep hardworking like this, I am sure sky will be at your feet. You have more 4,000 van, it goes through more than 4,000 routes. You handle 1 lakh crore cash, you are doing this job very responsibly. I will say, *CMS jaisi company mein kaha se lau, aap jaisi chairman mile aisi taqdeer mein hamesh pau. Har saal saath rahe aapka, aapki batiye mein apno hato ki aisi lakir kaha se lau.*

You gave 25% dividend and kept shareholder's wellbeing. For that I thank you. Your CSR program is good, you have done very good work with Goonj in villages. I saw that you are doing lot of social work. Nobody is looking after old people, but you are the first company which has think about old people. There is lot of going in sky because of you, people are think about these angels who working good work. When I heard this I said they are very beautiful people and doing nice work. You said during flood you provided cash to offices with safety. It proves leadership. I pray for company's profit to be doubled in the next two three years. I can't see Chairperson. I met her during HDFC meeting and met her in Colgate meeting. I don't know whether she recall me or not but I haven't forgotten her. I heard Pradeep Chandan has joined. I know him. He came from BASF, he made good work there. I give him my blessing. In the end, I must say, Chairman, *"aap sabka ka kam dekh kar din suhana ho jaye, tanhai ki khatam kahani ho jaye, chodhavi ka chand bhi jap aap sabka kam dekhe, who bhi sharam se pani-pani ho jaye.* May God bless all you all from Laxmi, Saraswati, Ganesh ji, Maa Durga. I salute you all. I strongly support and thank you.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Thank you Mrs. Asha Lata for your wishes and blessings.

- **Shyamala Gopinath - Chairperson, CMS Info Systems Ltd:**

Thank you very much, Maheshwari ji.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Our next speaker is Dnyaneshwar Bhagat.

- **Mr. Dnyaneshwar Bhagwat - Speaker Shareholder:**

Can you hear me, sir?

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Yes, very well.

- **Mr. Dnyaneshwar Bhagwat - Speaker Shareholder:**

Yes, thank you very much. Okay, first of all, my video is not perfect so I cannot go through video. Sorry for my camera.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Please go ahead.

- **Mr. Dnyaneshwar Bhagwat - Speaker Shareholder:**

Okay, sir. First of all, thank you very much calling my name. My name is Dnyaneshwar Bhagwat beneficial. I'm coming from Mumbai, Borivali. First of all, I'd like to say thanks to company secretary Mr. Praveen Soni and Mr. Praveen Chandan for doing excellent work and sending with a soft copy in advance which

was full of knowledge, easy to understand. So thanks to both of them and his team also. Secondly, I support all the resolution. There is not much anything, I support all the resolution. Thirdly about the financial part, our Vice Chairman had given all the details. So no more question about that. Thirdly, CSR activities, everything is given in detail. I congratulate company for that excellent work. Last but not the least, now the next week. I mean, next Monday, there is Dussera and after that Diwali, so I wish good luck to company for Dussera and Diwali. And thank you very much for patient hearing. Thank you very much.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Thank you, Mr. Bhagwat. We have the fifth speaker Mr. Aspi Bhesania.

- **Mr. Aspi Bhesania - Speaker Shareholder:**

Can you can you hear me?

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Yes, Mr. Aspi.

- **Mr. Aspi Bhesania - Speaker Shareholder:**

Okay. I am Aspi from Bombay. Sir, at the outset I congratulate the management on a success, very successful IPO. And I hope you do well in future also. So due to geopolitical factors many European companies are now transferring orders from local factories to Chinese suppliers, or simply building their own -- send orders from European clients, jumped by 20% this month. This trend is particularly evident in energy intensive and high sensitive things. Sir, I hope you do well in future. Thank you very much and all the best for the future.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Yes, thank you, Mr. Aspi. We have the next speaker that is Mr. Hariram Chaudhary. Mr. Chaudhary, can you unmute your mic. It looks like Mr. Chaudhary is not there. So we will move to the next speaker and we will call him later on when he connects. Our next speaker is Dr. Rajendra Prasad Joshi. Dr. Joshi.

- **Dr. Rajendra Prasad Joshi - Speaker Shareholder: ,**

Hello?

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Yes.

- **Dr. Rajendra Prasad Joshi - Speaker Shareholder: ,**

Hello, am I audible, sir?

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Yes, very well.

– **Dr. Rajendra Prasad Joshi - Speaker Shareholder: ,**

Thank you. Our respected Chairperson, Shyamala Gopinath ji, our Vice Chairman Rajiv Kaul and other dignitaries present in the meeting. And Shri Pradeep Chandan ji, sir, good afternoon to all of you. Myself, Rajendra Prasad Joshi, speaking from my residence at Mumbai. Sir, first of all, Madam, first of all, I congratulate the management for successfully completing an IPO and very good listing of our shares. Madam, our company is really excellently rewarded our shareholders who invested in our company. Shyamala madam, you have added a one more gem in the company by selecting and appointing Pradeep Chandan. Shri. Pradeep Chandan has done an extraordinary job in BASF. He is a professional expert. And Madam, I'm sure that he will prove as an asset to our company. I welcome Shri. Pradeep Chandan in our company and I wish him all the best prospects in the future. Madam, our company's financial performance remained excellent during the '21-'22, consolidated net sales increased by 21.70% to Rs. 1,589 Crores from Rs. 1,306 Crores in previous year, remarkably net profit grew by 32.95% to Rs. 224 Crores from Rs. 168 Crores in the previous year. Madam, under your leadership, the financial position of our company is strengthening from quarter to quarter and in this quarter ending June 2022, company registered the highest net sales at Rs. 453 Crores and the operating profit at Rs. 133.96 Crores. Madam, very good visuals, really there is a very good progress of the company. And I hope the company will continue the same progress in future also. Madam, I'm confident that under dynamic leadership of Shyamala Madam Leadership and excellent work of Rajiv Kaul, our company will achieve greater and greater heights. Our Rajiv Kaul sir has given very excellent speech in the beginning of our AGM and has given us a very good details of the company, has not left any doubt about the growth of our company as well as working and given very good details also. But I have only two question to ask. So first question is, do you see any adverse effects of rising digital transactions and the technology on the cash management services vertical? Second question is, what is the impact of current geopolitical crisis on the business of our company? With this, I conclude my speech and I support all the legislation and also thank the Chairman, the company secretary Pradeep Ji for giving me this opportunity to speak here. Thank you very much. Thank you, Madam.

– **Mr. Pradeep Chandan - Head, CS & Compliance, CMS Info Systems Ltd:**

Thank you, doctor Joshi. Our next speaker is Mr. Vinod Agarwal.

– **Mr. Vinod Agarwal - Speaker Shareholder:**

Can you hear me?

– **Mr. Pradeep Chandan - Head, CS & Compliance, CMS Info Systems Ltd:**

Yes, very well.

– **Mr. Vinod Agarwal - Speaker Shareholder:**

Respected Chairperson, Madam, Shyamala Gopinath ji, our CEO, Rajiv Kaul, our CFO, Pankaj Khandelwal and CS team, Praveen Soni and Mr. Pradeep Chandan

whom we know since BASF days. Sir, good afternoon and regards to everyone. I voted for all the three resolution sought to be passed in today's AGM, I'm speaking on behalf of my wife and daughter also who would have normally spoken. I have told them not to speak and have taken their consent to speak on their behalf. Sir, the consolidated revenues last year was 15,896 million, and which was 22% higher than the previous year. And the PAT was Rs. 224 Crores, 2244 million, which was 14% PAT margin, and it was a 33% higher than the previous year. EPS was Rs. 15. As I observed in the balance sheet, you are a zero debt company and you've got Rs. 141 Crores of cash and cash equivalent with you and the company is doing well. And you are present in 97% of the districts of the country and you got very good target of Rs. 2,600 Crores revenue by 2025 and Rs. 5,200 Crore revenue by 2030. And as it is more of an asset light model more of a technology kind of a business, it means we don't need much of CapEx like the world of the factory would need, so we'll be having good profit margins in the coming years also. And you'll be as you have mentioned in the past three years you distributed 25% of your profits as dividends. So we as shareholders also would be expecting this kind of pay out in future also. I sign off and I wish the company all the best and for the company to achieve its Rs. 5,200 Crore target by 2028-29, why wait till 2030. I'm signing off. I called from Mumbai. Thank you.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Thank you, Mr. Agarwal. Our next speaker is Mr. Rohinton Batliwala.

- **Mr. Rohinton Batliwala - Speaker Shareholder:**

Hello?

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Yes, we can hear you, sir.

- **Mr. Rohinton Batliwala - Speaker Shareholder:**

Respected Chairperson, Shyamala Gopinath the Board of Directors on dais, company secretary, Mr. Praveen Soni and his secretarial team, my fellow shareholders. Good afternoon to all of you. Madam, my name is Mr. Rohinton Batliwala. And thanks for inviting me to speak in front of Chairperson and directors and equally loaded our dear shareholders. And I'm very much happy to give my voice in front of all the learner directors. Madam, first and foremost, I would like to complement our company secretary and his secretarial team for sending the AGM report via email well ahead of time, so that we could go through it. But Madam, I'm senior citizen of 80 years of age, I'm not comfortable with email AGM report, so I requested company secretary to send me hard copy of AGM report. And it was next day our company secretary sent the AGM report at my place through courier. Very good, company secretary. Please keep it up year after year. Madam, the AGM report is very educative, informative, and knowledgeable and is adhered to all the norms of corporate governance. Madam, the AGM report is so nicely drafted that any layman can read and go through it. Well done company secretary, well done. Madam, thanks for the total dividend of Rs. 2.53. It was very

nice on the parts of directors to recommend that dividend in this heartless days of fluctuating economy and in the era of COVID-19. Thank you all the directors for recommending the dividend and I strongly hope that in future also the directors will do the same and also go for higher dividend. Madam, our company's performance is outstanding.

And we the shareholders are proud that we are part and parcel of our company. That is CMS Info Systems Limited and we are also proud. We are shareholders of one of top most companies. Madam, I'm very much proud that our company manages the entire flow and management of money for the 1,50,000 business points and it serves every day. Bravo, Madam. Please keep it up every time. Now madam, I do not want to go into account size as you are well versed with it and there is no question of doubt the intelligence of our learned director. So as keep the account side. Now Madam, little queries. Madam, what is the roadmap for next two to three years? And what is capex program for next financial years? And, Madam, what is our R&D program for next financial year? How was our company fared in the COVID-19 era? Was everyone safe and sound and healthy? Or do we have to give any compensation to any staff or their families? Madam, please throw some light on it. Now, Madam, as the time constraint is there, I end my speech over here. We pray to almighty Lord to bring our dearest company to newer and greater heights under your dynamic and magnificent leadership with the help of most learned valued directors. Madam I once again, thank you for calling out my name. And inviting me to speak and due patience hearing. With this, Madam, I support all your resolution whole heartedly. Thank you. Jai Hind.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Thank you, Mr. Batliwala. Our next speaker is Mr. Jahangir Batliwala.

- **Mr. Jahangir Batliwala - Speaker Shareholder:**

Yes, I'm here, sir. Can you see me?

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Yes, very well.

- **Mr. Jahangir Batliwala - Speaker Shareholder:**

Respected Chairperson, Madam, Shyamala Gopinath ji, other very distinguished Members on VC, Group Company Secretary, Pradeep Chandan ji, Company Secretary, Praveen Soni, fellow shareholders and VC. Good afternoon to all of you. My name is Jahangir. And a pleasure to address this august gathering on VC. Sir, this being the first meeting after IPO, we welcome all of you to our fraternity and hope that this association goes a long way and a healthy way, sir. At the outset, sir, we thank the company and we thank you and the board for the dividend, total dividend of Rs. 2.53 which is commendable and worth appreciating. Ma'am, many companies have skipped their dividends, citing COVID excuses. But you have boldly given the dividend and made shareholders happy, ma'am. So keep up the good work. Compliments to the company secretary and his team for bringing out

an AGM report which is voluminous, exhaustive, knowledgeable, transparent, and above all, adhering to all the norms of corporate governance. We received all our reports on time, so that we could go through it. Ma'am, compared to last year, we've done considerably in some good numbers. And, looking at a tough and a challenging economic scenario, it is pretty good. The Annual Report is self-explanatory.

And everything is mentioned very clearly. And so I don't think it is prudent to ask any questions and spoil the good work that is going on. In fact, we are here to support the board to keep doing the good work forever. Ma'am, if you could just touch upon the roadmap for the next two years. And any new ventures you plan to plan to start? Ma'am, this was just one question. We, as CMS are taking care of how many bank ATMs, if you can just touch upon that. Ma'am, there is lots to say. But time is a constraint. Hence I end with just putting some normal queries like what is the capex you have in mind? And how do you plan to fund it? Just a minute in the future, if you can just touch upon the future of the company and your thoughts on the future. Ma'am, can you share with us as to how many key manager person personal staff has taken the benefits of ESOP. Lastly, ma'am, we wish you and the board all the health, wealth and happiness and also compliments of the festive season that has already started. To the whole family of CMS Info Systems. Stay safe, healthy, and hope to see you next year, physically face to face. And where we can greet each other, talk to each other. And it is much better to greet each other physical rather talking through a mobile. Sir, I wind up by saying thank you very much for patient hearing, and with the hope that we will see each other next year. Thank you very much, ma'am. Bye-bye.

– **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Thank you. Our next speaker is Mr. H L Savani. Are you there? Mr. Savani, it looks he's not there. We move on to the next speaker. Our next speaker is Mr. Gautam Tiwari ?

– **Mr. Gautam Tiwari - Speaker Shareholder:**

Yes, can you listen to me, sir?

– **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Sure. We can clearly hear you.

– **Mr. Gautam Tiwari - Speaker Shareholder:**

And can you hear me, sir?

– **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Yes. Very clearly.

– **Mr. Gautam Tiwari - Speaker Shareholder:**

Okay, sir. Our Respectable Chairperson madam, Shyamala Gopinath ji, our MD, Rajiv Kaul ji, and our CFO, Mr. Pankaj Khandelwal ji, Praveen Soni ji, Pradeep Chandan ji, and all the eminent and well dignified directors, our team CMS Info Systems Ltd, myself Gautam Tiwari, and I'm participating at this first maiden AGM from Mumbai. First of all, I would like to really congratulate Madam Shyamala Gopinath for chairing this meeting, after listing and being a maiden meeting after listing at the first place. And sir, and another at the outset I would like to really congratulate for the successful, very successful IPO and very intelligently and excellently it was done and it has been noted with excellent listing gains at BSE and NSE and is showing better and better prices, days and days ahead. Madam, our presentation was very good by our Mr. MD Rajiv Kaul, and I thank him very much for the knowledge that he has given to us about the company during his presentation. Madam, our company is in our cash management business. Therefore, now it is supplying ATM machines, which is our main business to all mostly all leading bankers and in reps also. Madam, our company is supplying the relevant software also to manage, protect and control these ATM machines. So, what is the growth prospects of our company with ATM machine as our main business?

Ma'am, business responsibility and business sustainability reports when shall it be applicable to our company? I thank the management for paying Rs. 3 as dividend being the first maiden – at very first AGM after listing, it is very good, but madam because our company is doing a brisk business and earning very roaring profits. So dividend can be increased hereafter step by step. Madam, please tell us about your top 10 shareholders besides DII and FIIs, do you will be able to judge many things out of that. Madam, we would like to know the vaccination status of our employees? Who are our main and core competitors? Madam, you are in the cash management business. Therefore, very important thing is that many times we hear that ATM is broken or there are tapes and pilferage possibilities are very much there. So how do you manage and control the losses due to these threats? Now by insurance you will say by insurance but to what extent how much losses we can manage by insurance strategy about these things. Madam, MD's presentation speaks volumes of his expertise and knowledge in the business and cash management business.

Rajiv sir, your expertise and your proven abilities are certainly going to take this company to greater and greater heights for which we are very much thankful to you. Our CFO, Mr. Pankaj Khandelwal is also a very expert finance personal as company has no borrowings and our company is almost debt free. And because of this MD and CFO these are the two pillars, the company is going to prosper and Mrs. Shyamala Gopinath, she's also there. We have seen our madam in the Colgate business and Tata Elxsi and HDFC also and we seeing her many places also and we are sure about her proven abilities the company will certainly prosper. Now, one thing I would like to mention, ma'am, we have got long association with Mr. Pradeep Chandan ji, for 25 years, we have been seeing him from day one in BASF right from first year, up to the 25 years when BASF was a small organization. The way it has been grown up and his contribution, his dedication, his commitment has brought the BASF to the best of heights and I am very sure as he is here he will

also be proved a prized asset for our company. And his skill, his management, his hard work, his commitment, dedication, honesty, sincerity, will certainly bring golden days to our company in the days to come. We are very sure, in the hands of Mr. Pradeep Chandan, that the company will prosper like anything and his business understanding and acumen will give an investor service and investor clear also the way he's handling is very good and it will give new heights to the company and shareholders will be more than satisfied in the days to come. I congratulate our company for best you CSR activities as you have already explained, and the best especially in religious in the field of education all that. Madam, so very less number of companies are paying attention to senior citizens. In our company also, there are many senior citizens. I'll be highly obliged as we are doing a lot of CSR work.

I support all resolutions also and support all appointments and reappointments of all directors and already voted in favour of them all. And I compliment you and wish you all the best for all oncoming festivals. And Madam, we promised that we have got the total faith, trust and confidence in the management team and we are going to support you till we exist on earth and in the skilled hands. We are very sure company will prosper once again. Once again I congratulate you and I thank you very much for the best person that you have got, best secretarial service and best team even technical team of zoom team is also really good. And Linintime and NSDL is also doing an excellent job. I thank for selecting such diamond like personal service providers for the benefit of shareholders. Thank you very much, Madam. Thank you very much all the staff including our MD, CFO, CS and Pradeep Chandan. All the best. Thank you very much. God bless you with the choices, my blessings always on for everyone here, thank you very much.

– **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Thank you Mr. Tiwari. Thank you very much for your wishes and the blessing. Our next speaker is Mr. Yusuf Rangwala.

– **Mr. Yusuf Rangwala - Speaker Shareholder:**

Good afternoon, sir. Can you hear me?

– **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

Yes, very Clearly.

– **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd:**

I'm very happy to be proud shareholder of this company. Praveen Soni sir, I welcome him. Pradeep Chandan sir, I welcome him too and thank towards the excellent work. SBI is our main customer. It is our new customer. We supply to SBI, Union Bank, Central Bank and foreign bank. How many clients do we have? I want to know about clients. You gave dividend of Rs. 3. I am very happy about it. After public issue we got dividend. At present, Mutual Fund, LIC. Wish you very happy Dussera, Diwali and all the festival. And happy New Year in advance Madam

Next year, when we'll meet our shares will get in double rate as you have good profits Sir and as the time will come, we will reward good time Sir. Thank you very much. May God bless our company. Nothing more to add. I end my speech saying our Praveen Soni and all the secretarial team very good luck and very hard-working team. We are very lucky to have such excellent secretarial department. Thank you and I end my speech here. Thank you. Jai Hind Sir.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd.:**

- Thank you, Mr. Rangwala. Our next speaker is Mr. Mr. H.L. Savani.

- **Mr. H. L. Savani – Shareholder:**

- Chandan ji, Mr. H.L. Savani.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd.:**

- Please continue.

- **Mr. H. L. Savani – Shareholder:**

Chairman, Board of Directors, my fellow shareholders, my name is Savani H. L. Sir congratulations for giving such a good result. This is my first year of attending this AGM. Sir, you have declared 2.53 dividend that is very nice. After corona many companies skipped up the dividend, you have continued with the same. Sir, our annual report is excellent and it contains everything which requires as per the Company Act. I think Mr. Pradeep Chandanji and Mr. Praveen Soni, and his entire secretarial team for giving such a good annual report. Sir, we have 46% market share in ATM, Sir cash management we are having 66.6% income from this. Sir, I'm a shareholder of many companies, but this company has an entirely different type of business, so I want to ask some questions to understand the company. Sir, at some place you have written that we sell the ATM machine and sites, I want to know Sir do we manufacture the ATM machine or we purchase from the outside outsource? and Sir are they imported or these are made in India? Or do we give on hire? Sir our remuneration we collect from the banks and other customers, do we make contracts for 2-3 years? Sir I want to know we received the remuneration in the advance or we get quarterly or like that? Sir do we prepare software for this ATM ourselves or we get it from outsiders and are they from Indian companies or outside? Do we develop the same? Sir how many bank account holders are using ATM because I know that most of the senior citizens are not using ATM, so I want to know how many percentage of account holders are using ATM? And Sir how do we charge to the banks and other our customer on the use basis or lump sum basis? Sir, we have 4,000 cash vans I have read, so Sir the petroleum products has been increased in last two three years very high, our petroleum product has affected our business in profitability because of the rise in the petroleum product? Sir we have insurance, our businesses is cash business is very risky, so I know that you may have the insurance, but do we pay the bank or they are pay that insurance charges or they reimburse the same? many times I've also noted that the people robbers break up and take it away this ATM machine also, so who bears that

losses? Sir how many percent of GST is charged on this business? Sir are we able to pass on this increase in the petrol price to the bank or we have to bear that expenses? Sir rupee is becoming weaker and weaker, so does this affect our business anyway? Sir on page 159 other expenses, Sir it has gone up from 614 crores to 807 crores, it has gone up more than 33%, so here you people are required to put some check. Sir how many employees we are having? and Sir how many ATM machines we are having? and how many we had every year? Thank you, Sir.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd.:**

Thank you, our next speaker is Mr. Bimal Kumar Agarwal. Mr. Agarwal are you there? Okay it looks Mr. Agarwal is not there. We move to the next speaker. Our next speaker is Mr. Vinay Bhide.

- **Mr. Vinay Bhide – Shareholder:**

Hello.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd.:**

Yes.

- **Mr. Vinay Bhide – Shareholder:**

Are you able to hear me and see me?

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd.:**

Yes, we can clearly see you and hear you.

- **Mr. Vinay Bhide – Shareholder:**

Fine Sir, let me start. Chairperson, Ms. Shyamala Gopinath, CEO Rajiv Kaul, CFO Mr. Mr. Pankaj Khandelwal, Non-Executive Directors present at today's AGM, Company Executives and shareholders, good evening to all of you. I have gone you through the annual report as well as the presentation made by Mr. Rajiv Kaul and I find both of them very informative. Now from what I have noted from the annual report as well as also from Mr. Rajiv Kaul's speech, I've got just a few questions to ask you at this point of time and they are as follows, I have noted that the company has built revenues of 1,408 crores and a net profit of 213 crores for the standalone working and for the consolidated working the revenues were 1,590 crores and the profit was 224 crores. The EPS on a consolidated basis is 14.33. now, these look very encouraging figures that was the first observation. We have principally three verticals as I've noted from the report. We have got a cash management business, we've got a managed services business, and we also have a cards business. Now, the cash management and the managed service business have shown excellent double-digit growth and you know show promise. It is hoped that the cards business is also joined the other two verticals in the coming few years. On the

question side, I've just got one question to ask you. Ours is an IT intensive business, IT and digital intensive business, so my question here is that what was the expenditure of the company on CapEx and OpEx for Information Technology in financial year 22 and what is the budget for the current year? Otherwise, I find that you know we are going in on very steady rate on both of our business fronts, it would not be fair in my part to consume common time and ask any additional questions. So, I will close here with best wishes you know to the directors and employees, but before you know I close let me mention that you know Mr. Pradeep Chandan, Mr. Praveen Soni and his team to a lot of effort to bring you know this board and you know the entire shareholder together today. I compliment them for their efforts and now I close here. Thank you for giving me the opportunity to speak Sir.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd.:**

Thank you, Mr. Bhide. Mr. Hariram Choudhry are you there?

- **Mr. Hariram Choudhry – Shareholder:**

Sir, I am here, Hariram Choudhry.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd.:**

- Yes, please continue.

- **Mr. Hariram Choudhry – Shareholder:**

Thank you, Mr. Pradeep Chandanji. Chairman, Shymalaji Gopinath, and my dear shareholders, my name is Hariram Choudhry. I am speaking from my home at Santacruz, Bombay. Shymalaji, we have met at Indian Merchants Chambers when you were the chief guest and I was pleasantly surprised to see that Pradeep Chandanji is the head of the Secretarial Department in this company. Pradeepji was very much there in BASF and he used to maintain personal touch with all the speaker-shareholders. Pradeepji, we thank you and we hope that we all shareholders are behind you and the company will progress. Now, I come to CSR. This is my phone fond subject, kindly let us know who the Chairman of the CSR Committee and who are the members of the CSR Committee and the kindly let us know how much amount we have spent for CSR activities and how much amount we have spent for the COVID-affected people, kindly just note about this. Now, I must say the efforts of secretarial members for helping me in joining the meeting and Ms. Chairman now I have some suggestions. Have one mobile phone in the security department so that not only speaker-shareholders, but all the shareholders can contact. Let us move ahead the time. Now, second suggestion is having the booster dose for all the employees and staff members booster dose and next suggestion is have Diwali get together, so that can also be considered for at least the speaker-shareholders and now kindly let us know and let us have the minutes of this meeting, I will pay the necessary charges. Now, please let us know what are the advanced technology we adopted including the artificial intelligence. Our Prime Minister is emphasizing on technology Digital India is a theme of Prime

Minister and how many shareholders are attending today's meeting? Now kindly if it is possible are we using the solar energy and are we having the water conservation and every year in shareholders meeting try the AGM that can also be considered. I support all the resolution including appointment and reappointment and I conclude by conveying my best wishes for all round progress and prosperity of the company. thank you, Shyamalaji and Praveen Chandanji. My name is Hariram Chaudhry. Thank you.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd.:**

Thank you, Mr. Chaudhry. Yes, our last speaker, Mr. Suresh Naredi are you there?

- **Mr. Suresh Naredi – Shareholder:**

Hello.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd.:**

Yes.

- **Mr. Suresh Naredi – Shareholder:**

Yes. Good afternoon.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd.:**

Good afternoon.

- **Mr. Suresh Naredi – Shareholder:**

Not taking so much time, I will directly come to the question. Question number first, aside of so much attention paid to digitalization and online payment, why cash requirements are not reducing, it is increasing day-by-day. Can you tell why this is happening? and also why government is not printing 2000 new notes any reason would you like to tell? Second question you mentioned somewhere to start operation in USA, where cash profile largely used so do you think it may grow business there? and last question other than USA any other country in your mind? Thank you so much and all the best for future.

- **Mr. Pradeep Chandan – Head, CS & Compliance, CMS Info Systems Ltd.:**

Yes. thank you, Mr. Ravikumar. So, with this, all the speaker shareholders have finished their speech. I request Shyamala madam to take over.

- **Ms. Shyamala Gopinath – Chairman & Non-Executive Director, CMS Info Systems Ltd.:**

First of all, I would like to thank each and every shareholder for your suggestions, observations, comments, and interventions. Thank you very much. Till the time

we collect all the questions, we wish to play a small video showcasing our CSR initiatives.

Video Playing being played.

I now request Mr. Rajiv Kaul, our Chief Executive Officer to reply to the questions raised by the shareholders.

- **Mr. Rajiv Kaul – Chief Executive Officer, CMS Info Systems Ltd.:**

Thank you, ma'am. I'm very grateful to all of you for having asked such intricate and in-depth questions. It's just a privilege for us to have shareholders who are taking such an active interest in the company. We are a company, which has many businesses and to have new shareholders who have already read so much about us is a very strong morale boost for us. Let me try and answer most of the questions which have been asked in groups. When you think of our business there was a question on just the future growth potential of business and there were concerns around digital penetration, a lot of digital payments usage and the impact of that with water can be on cash management. I think I want to give an important historical perspective for all of you. When I joined the company 13 years ago, our company was primarily into IT infrastructure services. The cash management business was very small part of the business, overtime cash management became the largest business for us, and then in the last 5-6 years we have diversified and created new technology led businesses. So, it's the job of the management team of a good well-run company under the guidance of the Board to ensure that we are able to focus on good sensible market opportunities, which have a long-term growth potential. When you specifically think of cash management and I know there is a lot, you know there is a lot of noise on this in the press for a long, long period of time. You have to understand that first of all the usage of cash is growing across the world whether we take developed markets like the US, Germany, Japan or you take developing markets like India or Indonesia or Brazil or Mexico, so we state that India is very unique in this. I think it is linked to overall growth and consumption led growth and the usage patterns. Our digital viewer wonders here a lot more just because there's a large community which is trying to drive the narrative in digital, but cash usage is very important across all markets. We see that growing very well for the next, you know decades. The opportunity for CMS particularly comes from a few things. As a broad theme, India has a big push towards formalization, which has been accelerated with GST and with the formalization of India overtime whether it is in the retail sector or any sector you see - excuse me - we will see a lot more of our market getting formalized from informal market because the informal market we cannot participate. Many o withdraw cash from our bank branch or an ATM and then use it in a small place and then it will get used within that community, it will never come back to the banking channel, but for a company like us, the advantage comes in when cash becomes formalized and retail stores become formalized. The second big opportunity for us and this is a multi-decadal theme. India will formalize over the next 20-25 years, which gives us a very good double-digit growth opportunity from the retail sector itself. The second is the fact that there are lot of banks in

India are still in sourcing a lot of the work they do around cash management. Take for example the ATM channel, which is just one element of our business. We have 8 different businesses. In the ATM business, there are 2.5 lakh ATMs in the country, but only 1.5 lakh ATMs are outsourced for cash management. So, 1 lakh ATMs in the country are still not outsourced for cash management, which represents by itself a very large opportunity and if it comes the next 10 years, it's a very good growth opportunity for companies like CMS. Our third opportunity comes from consolidation. As good quality companies are able to survive and thrive over a long period of time especially when you see things like demonetization or then COVID, we see weaker players are unable to scale and then they start getting out of business and the stronger good quality companies, well run companies are able to withstand any external pressures over a 10-20 year period of time and finally for us as a management team, I said we are India's leading business services company and we have been investing from our internal accruals, we have been investing to grow our businesses across multiple adjacent sectors and we will continue to do that in the future, so that we can grow at a very healthy clip. The second question was around the market share. So, when you think of an ATM business, our market share is close to 46% and our competitors there are writers safeguard, secure value in our cash in transit business, we have almost 26% market share and our next computer there is SIS. In the retail business, we have a 36% market share and our notable competitor there is Radiant. Overall, the cash management business, we have a 40% market share. Our margins question in the managed services business, which I already showed in a presentation, our EBIT margin for the managed services business which is a recent business has grown from 15% to 16.5% in the last financial year and there was a related question to the number of bank accounts and how much of them are using debit cards and how much do they mean using ATMs? India has got roughly 90 crore debit cards or I would say 90 crore Jan Dhan Accounts and all type of accounts. Out of them, the monthly usage which is somebody using it once a month a debit card at ATM or something is only 25 crores, so roughly 25 crores of the 90 crores is being used actively. The remaining 65 crores are not using it actively, which could be linked to either the penetration of ATM still needs to go along way, it is not easily accessible still in many parts of the country, some people are not comfortable with technology or using a debit card in an ATM still and overtime that will change and that again presents a good growth opportunity as India is still relatively a growing population and a lot of younger people coming into the work stream that will help. There was a question on how are ATMs growing in India? After the lull of COVID, we're obviously banks and even companies like us were focused on doing different work at that time, we've seen banks go back and start buying more ATMs for expansion. In fact, in the last 15 months almost 15,000 ATMs have been added in the country, so we've just taken the installed base of ATMs from 238,000 to 255,000 ATMs. There were questions on our software business. In our software business, there is we have ALGO, which is only one of our products. We also have got a multi-vendor solution for ATM switches installed now and running on 50,000 ATMs of SBI and so I think our whole effort is to make sure that for the bank we're able to do everything from logistics to technology, so that we can solve many of the problems and help them reach out effectively and finally we need to help banks offer this service better and faster and cheaper to

their end customers which is shareholder -- which our account holders like all of us. We do in our automation business, we sell ATMs, we sell currency recycling machines, we also sell kiosk. There is a specific question in kiosk, we are now managing kiosk for not only SBI, but major public sector banks, and CMS is installing and supplying and managing this. Our ATMs, our partner mostly is Nautilus Hyosung, which is globally the #2 player, is the #2 OEM in the ATM business globally and we work with them for supplying ATMs to banks. Mostly the banks will buy the ATM's and then we'll help them manage it in future and therefore we don't own most of these ATMs. In fact from our cash management, the number of ATMs we manage out of which only less than 10% of ATMs would be something which are owned by CMS, the rest are owned by third party deployers or by banks because as you have seen, we have a fairly asset like model and that's the way we like to prefer to grow. And the vehicles we own and the company out of a 4,000 fleet almost 80% to 85% of vehicles at any time are owned by the company so that we have a lot of control on those vehicles, but for growth purposes and sometimes smaller locations, we will have a lease vehicle. So, I think we try and maintain 80:20 ratio and that's how we try to control this. There are a few questions I remember which came on the geopolitical implications with what the crisis is going on globally. Now, I think we're not a company which is very different than many others you will have -- you'll be shareholders of, but you have to keep in mind, we are a services company, primarily a service company working in India. There is no plan to go to the United states. There is no plan on geographical expansion, so there was one shareholder who was thinking or had read something about that, but I would like to clarify that there are no plans for international expansion, in fact we have so much opportunity I think in India that we would like to focus energy on right now on working in India and really doing very well instead of instead of trying to do too many things in many places. So, we are services company, service is almost 90% of our revenue and all of these customers are the largest banks, NBFC's, retail chains in India, so we don't have any exports, so we don't have any risk there. From importing of machines, if we need to import machines, I think we have a very close relationship with our partner Hyosung and I think we haven't had any supply chain issues in fact you can see our execution of contract book and order book has been very robust and that's what has led to a very good revenue growth last year. The other geopolitical impact comes from inflation and exposure to the dollar, a very strengthening dollar. Thankfully our imports are you know we don't have such high imports and therefore we don't have too much of worries from a strengthening dollar perspective. The fuel price inflation risk is I think present for every country in the world including India. I think India as a country is in a far better job of managing it, but as a company, as your company we have had a very strong experience in managing inflation for the last 13 years and inflation can come in many forms, it can be wage inflation, it can be fuel price inflation, and we try and link a lot of this back to our customer contracts, some contracts have a built in clause for increasing prices linked to inflation, some contracts are negotiated at frequent intervals to make sure that we are able to pass on cost increases, which are abnormal back to our customers so that we can continue to offer them good quality services. Our road map and future, I think there were questions on what we want to do and how we think of the future out here? It is part of our letter in

the annual report, but I will restate it, from FY21 base of 1,300 crores, we intend to double in FY25 to a revenue of 2,600 crores. The revenue split of our business roughly which was 70% for cash management business and 30% for managed services and technology businesses last year, we think the split will change and the basis the current visibility we have we think we'll have 60% of our revenue from cash management, 30% coming in from the managed services business, and 10% of revenue coming from remote monitoring and software related businesses. This doesn't factor in any new business in case we enter in the coming three years. Our capital spends have been robust. We are a team which is very, very focused on getting value for what we invest in and we also like to keep consistently doing investments over a period of time, so I think we had front loaded a lot of the investment in FY20, which the benefit of that is coming to our shoulders now because the team was wise to invest ahead of time that is leading in robust growth and strong margins. In FY22, we invested almost 250 crores in capital, all of our CapEx is coming from internal accruals and because we maintain a very strong cash flow of almost 64% OCF to EBITDA our accrual levels are able to help us invest for the future, but our EBITDA levels are very good and very high. Despite that at the end of last year, we had a cash balance of 278 crores. Our capital plan for this year given the 2,500 crores order book which we have to execute is close to 225 crores, that's what we estimate we'll spend on CapEx this year to make sure that we can continue to deliver robust long-term growth. We are a AA rated company, we have 0 debt for past several years, and in case there are more aggressive capital needs, we can easily access debt if we need to choose to do that. Questions on R&D investments and technology, I think we are being consistently investing on technology over you know over several, several years. In fact, I already alluded to one example, when I think of a new remote monitoring business and solutions on AIoT, we have already in a period of 18 months invested close to 100 crores both in the software, the technology platform, and also rolling out the solution for the client order book we've already gained out there. So, I think from our side, we look at mix at spreading and investments both in infrastructure because they're very important for us to keep deepening our presence in India, even though we are present in 97% of India's district from 16,000 pin codes as the work volume increases, we have to continue to invest to expand our capacity in these locations and therefore I would say almost 70% of our capital goes into technology related business investment, 30% go into infrastructure and network and fleet and the refurbishment of that, and that all should help us grow the pie and grow the percentage of first the nonlinear businesses we do and also the software and technology business impact the company's bottom line in the coming years. From COVID perspective and boosters, almost all 100% of our team and associates have got vaccines from booster dose as of now 98% of our team members have got the booster dose and the remainder will happen in the coming months. There was a lot of regard for the work we do in our in our CSR. We are a you know young company still and we have been investing a lot in CSR and doing work on the ground. We have already done -- we already support 3 NGOs, which are focused on old age and disability and it is a theme for us to focus on to take care of our elderly citizens across the country. We are going to expand the work we do through our CSR towards this effort. Other three foundations we work today are Earth Savior Foundation in Haryana, Mahavir International in Maharashtra,

and the Banyan in Tamil Nadu. In terms of the work, we do for ATMs, we work with almost 50 banks in India for their ATM cash management work and this is so you're talking about covering every key bank in both public sector and private sector. From ESOPs our benefits are rolled out to lot of key employees, but from a key management people, all key management people have been allotted ESOPs and have taken the benefit of ESOPs, and we don't manufacture, we are not a manufacturing company. We are currently our strategic partnership with Hyosung, these machines are imported, but with the Make in India thrust, we are also rolling out process where these machines can be partly manufactured in India, so that we are able to have this in source of the country and also reduce any supply chain risk and also give a thrust to the government's initiative of Make in India. Our revenue billing is you know when we build for product sales, people ask we as soon as the products are dispatched, we start billing for that. Contracting for billing and all varies, mostly is monthly, in some customers maybe quarterly, but most of our billing is on a monthly basis. Fuel price just for reference is only 5% of our overall revenue and therefore any fluctuations in that can be more the impacted that can be a little modest. There were questions on our business model, it's a very intricate question because we have many businesses and I would recommend that you go to page 19 of our annual report to have a look at, we've described in detail how we do business, what is our exact business model, and how do we work. Finally, towards the end, I think there are some questions on risk and the fact that we manage a lot of currency. Before we think about management of currency, I think we have to say that our first focuses on the safety and security of our team members and I think protecting them and making sure that they're taken care of is our first fundamental duty. Our second duty is to manage the duty of managing the cash, which we handle on behalf of the banks and that's why we get paid what we get paid to handle the risk on their behalf. Our approach of this is first of all to focus on prevention right. We would rather prevent an incident than cure an incident. Of course, the world is not perfect and we cannot always do that. Having said that, we have almost a 220-member team which focuses on internal order and security around the country. These are experts in the field, who are on the ground in all our locations which are trying to prevent and check for any incidents. On top of that, any of our routes has got security on them in the country to protect our crew teams and also our cash. We also have deployed a lot off the remote monitoring technology solutions, which we ourselves provide at our walls to prevent for this and we also keep a very high deductible because we realize that risk is the nature of the business and therefore we only go to insurance as a last resort of claim. We do a lot of effort to recover money which is lost or which could be stolen or which could be robbed and if you look at a P&L, these costs are fully baked into a P&L, we keep provisions for this because we have run this business for 13 years and we sort of understand the risks in the business and we are a very qualified to try and handle this. Our CSR Committee, I'm the chair of the committee and on the Committee, I have got our three independent directors. I have Ms. Sayali Karanjkar, Shyamala Ma'am, and Mr. Krzysztof Wieslaw Jamroz on the CSR Committee. Our top 10 shareholders are mentioned on page 101 of the annual report and I think I've already talked about the insurance costs will finally be borne by, if we file for insurance that will be then born by the insurance company, but again that's something which we look as a method of last resort. I

want to quickly look and see if I've missed any questions, any main questions here. I think we've covered all the questions, which were asked. I hope you're satisfied. We look forward to our interactions with you and thank you for your in depth questions and thank you for all your support.

- **Ms. Shyamala Gopinath – Chairman & Non-Executive Director, CMS Info Systems Ltd.:**

Okay. Thank you Rajiv. May I now request the shareholders who have not yet cast their votes on the resolutions to please do so immediately. The scrutinizer after the conclusion of e-voting at the AGM shall count the votes and cast and make a consolidated scrutinizer report of the total votes cast in favor and against. I'm authorizing Mr. Praveen Soni, Company Secretary to receive the scrutinizer's report containing consolidated voting results. The results shall be declared within two working days after the conclusion of the AGM and the same will be intimated to the stock exchanges and uploaded on the website or the company and NSDL. I now declare that the e-voting period be kept open for 15 minutes to facilitate e-voting by the shareholders of the company who have not yet exercised their votes on the resolutions. I thank all the shareholders for attending and participating at the 15th Annual General Meeting of your company and look forward to your continued support. I request you to take care and stay safe. With your consent, I now declare the meeting as concluded. I and other Board members would take your leave. Thank you.

-----**End of Transcript**-----