PROSPECTUS
Dated: December 24, 2021
Please read Section 32 of the Companies Act, 2013
100% Book Built Offer

CMS Connecting Commerce

CMS INFO SYSTEMS LIMITED

CMS Info Systems Limited was originally incorporated as 'Subhiksha Realty Private Limited', at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated March 26, 2008, issued by the RoC. The name of our Company was subsequently changed to 'CMS Info Systems Private Limited' pursuant to a fresh certificate of incorporation granted by the RoC on December 10, 2008. Thereafter, our Company was converted into a public limited company pursuant to a special resolution passed in the extra ordinary general meeting of the shareholders of our Company held on December 24, 2014, and the name of our Company was changed to our present name 'CMS Info Systems Limited', pursuant to a fresh certificate of incorporation issued by the RoC on January 27, 2015. For more information regarding changes in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 177.

Registered Office: T-151, 5th Floor, Sector-11, Tower No. 10, Railway Station Complex, CBD Belapur, Navi Mumbai, Thane – 400614, Maharashtra; **Telephone**: +91 22 4889 7400;
Website: www.cms.com; **Contact Person**: Praveen Soni, Company Secretary and Compliance Officer; **E-mail**: cms.ipo@cms.com; **Telephone**: +91 22 4889 7400
Corporate Identity Number: U45200MH2008PLC180479

OUR PROMOTER: SION INVESTMENT HOLDINGS PTE. LIMITED

INITIAL PUBLIC OFFER OF 50,925,925* EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF CMS INFO SYSTEMS LIMITED ("OUR COMPANY" OR "THE COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹216 PER EQUITY SHARE INCLUDING A PREMIUM OF ₹206 PER EQUITY SHARE ("OFFER PRICE") AGGREGATING TO ₹11,000 MILLION ("OFFER") THROUGH AN OFFER FOR SALE OF 50,925,925* EQUITY SHARES BY SION INVESTMENT HOLDINGS PTE. LIMITED ("PROMOTER SELLING SHAREHOLDER") AGGREGATING TO ₹11,000 MILLION (THE "OFFER FOR SALE"). THE OFFER WILL CONSTITUTE 34.41% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

***SUBJECT TO THE FINALISATION OF BASIS OF ALLOTMENT**

The Offer was made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**") read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer was available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**").Our Company and the Promoter Selling Shareholder in consultation with the BRLMs allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (such portion, the "**Anchor Investor Portion**"). One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. 5% of the Net QIB Portion was available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion was available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer was available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer was available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All potential Bidders (except Anchor Investors) were required to mandatorily utilise the Application Supported by Blocked Amount ("**ASBA**") process providing details of their respective bank account (including UPI ID for RIBs using UPI Mechanism), in which the corresponding Bid Amounts was blocked by the SCSBs or the Sponsor Bank, as applicable. Anchor Investors were not permitted to participate in the Offer through the ASBA process. For details, see "*Offer Procedure*" on page 351.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10. The Floor Price or the Cap Price or the Offer Price as determined and justified by our Company and the Promoter Selling Shareholder in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, as stated under "*Basis for Offer Price*" on page 104 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the prospective investors is invited to "*Risk Factors*" on page 25.

ISSUER'S AND THE PROMOTER SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Promoter Selling Shareholder accepts responsibility for and confirm that the statements specifically made or confirmed by the Promoter Selling Shareholder in this Prospectus to the extent of information specifically pertaining to itself and the Offered Shares in the Offer for Sale and assume responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approval from BSE and NSE for the listing of the Equity Shares pursuant to letters dated September 9, 2021 and September 27, 2021, respectively. For the purposes of the Offer, the Designated Stock Exchange shall be BSE. A signed copy of the Red Herring Prospectus was delivered, and this Prospectus shall be delivered for filing with the RoC in accordance with Section 26(4) of the Companies Act. For details of the material contracts and documents which were available for inspection from the date of the Red Herring Prospectus up to the Bid/ Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 385.

BOOK RUNNING LEAD MANAGERS				REGISTRAR TO THE OFFER
AXIS CAPITAL	DAM CAPITAL	Jefferies	JM FINANCIAL	LINKIntime
Axis Capital Limited 1st floor, Axis House C-2 Wadia International Centre P.B. Marg, Worli Mumbai – 400 025, Maharashtra **Telephone**: + 91 22-4325 2183 **Email**: cms.ipo@axiscap.in **Investor grievance e-mail:** complaints@axiscap.in **Website:** www.axiscapital.co.in **Contact person:** Ankit Bhatia **SEBI registration number:** INM000012029	**DAM Capital Advisors Limited** (*Formerly IDFC Securities Limited*) One BKC, Tower C, 15th Floor Unit No. 1511, Bandra Kurla Complex Bandra (East), Mumbai – 400 051 Maharashtra, India **Telephone**: +91 22 4202 2500 **E-mail**: cmsinfo.ipo@damcapital.in **Website**: www.damcapital.in **Investor grievance e-mail**: complaint@damcapital.in **Contact person**: Gunjan Jain **SEBI registration number**: MB/INM000011336	**Jefferies India Private Limited** 42/43, 2 North Avenue Maker Maxity Bandra-Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra **Telephone**: +91 22 4356 6000 **E-mail**: cmsinfosystemsipo@jefferies.com **Investor grievance e-mail**: jipl.grievance@jefferies.com **Website**: www.jefferies.com **Contact person**: Aman Puri **SEBI registration number**: INM000011443	**JM Financial Limited** 7th Floor, Cnergy Appasaheb Marathe Marg Prabhadevi Mumbai – 400 025, Maharashtra **Telephone**: +91 22 6630 3030; +91 22 6630 3262 **E-mail**: cms.ipo@jmfl.com **Website**: www.jmfl.com **Investor grievance e-mail**: grievance.ibd@jmfl.com **Contact person**: Prachee Dhuri **SEBI registration number**: INM000010361	**Link Intime India Private Limited** C-101, 247 Park L.B.S Marg, Vikhroli (West) Mumbai 400 083, Maharashtra **Telephone:** +91 22 4918 6200 **E-mail:** cmsinfo.ipo@linkintime.co.in **Investor grievance e-mail:** cmsinfo.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Contact person:** Shanti Gopalkrishnan **SEBI registration number:** INR000004058

BID/ OFFER SCHEDULE			
BID/ OFFER OPENED ON	Tuesday, December 21, 2021[(1)]	**BID/ OFFER CLOSED ON**	Thursday, December 23, 2021

[(1)] *The Anchor Investor Bid/ Offer Period was one Working Day prior to the Bid/ Offer Opening Date i.e., on Monday, December 20, 2021.*

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall unless the context otherwise requires, be deemed to include all amendments, modifications and replacements notified thereto, as of the date of this Prospectus and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Notwithstanding the foregoing, the terms used in "Industry Overview", "Key Regulations and Policies", "Statement of Special Tax Benefits", "Financial Statements", "Basis for Offer Price", "Outstanding Litigation and Material Developments" and "Description of Equity Shares and Terms of Articles of Association" on pages 112, 172, 107, 213, 104, 320 and 369, respectively shall have the meaning ascribed to them in the relevant section.

General Terms

Term	Description
"our Company", "the Company", or "the Issuer"	CMS Info Systems Limited, a company incorporated under the Companies Act, 1956 having its Registered Office at T-151, 5th Floor, Sector-11, Tower No. 10, Railway Station Complex, CBD Belapur, Navi Mumbai, Thane – 400614, Maharashtra
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company and our Subsidiaries, as applicable, as at and during the relevant period/ Financial Year

Company and Promoter Selling Shareholder Related Terms

Term	Description
Articles of Association or AoA	Articles of association of our Company, as amended
Audit Committee	Audit committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, the SEBI Listing Regulations, and as described in "*Our Management*" on page 188
Auditors or Statutory Auditors	Statutory auditors of our Company, namely, B S R & Co. LLP
"Board" or "Board of Directors"	The board of directors of our Company, as constituted from time to time or any duly constituted committee thereof
CEO	Chief executive officer of our Company, being Rajiv Kaul. For details, see "*Our Management*" on page 188
CEO ESOP 2016	CMS CEO Stock Option Plan, 2016.
CFO or Chief Financial Officer	Chief financial officer of our Company, being Pankaj Khandelwal. For details, see "*Our Management*" on page 188
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, being Praveen Soni. For details, see "*Our Management*" on page 188
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company constituted in accordance with the applicable provisions of the Companies Act and as described in "*Our Management*" on page 188
Director(s)	The director(s) on our Board, as appointed from time to time
Employees ESOP 2016	CMS Employees Stock Option Plan 2016.
Equity Shares	The equity shares of our Company of face value of ₹10 each
ESOP Schemes	The ESOP schemes of our Company, namely the CEO ESOP 2016, Management ESOP 2016 and Employees ESOP 2016.
Executive Vice Chairman, Whole Time Director and CEO	Executive vice chairman, whole time director and CEO of our Company, being Rajiv Kaul. For details, see "*Our Management*" on page 188

Term	Description
Executive Director(s)	An executive director of our Company
Group Companies	As of the date of this Prospectus, our Company has no group companies.
Independent Director	Non-executive independent directors on our Board, appointed as per the Companies Act and the SEBI Listing Regulations, and as described in "*Our Management*" on page 188
IPO Committee	Initial public offer committee of our Board constituted to facilitate the Offer, comprising of Jimmy Lachmandas Mahtani (chairman), Rajiv Kaul and Ashish Agrawal
Key Management Personnel or KMP	Key Management Personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as described in "*Our Management - Key Management Personnel*" on page 204
Management ESOP 2016	CMS Management Stock Option Plan 2016.
Material Subsidiary	Subsidiaries which contribute 10% or more to the turnover or net-worth or profits before tax of the immediately preceding financial year included in the Restated Financial Information. Accordingly, in accordance with the criteria set forth above, Securitrans India Private Limited is the material subsidiary of our Company as on the date of this Prospectus.
Materiality Policy	The policy on materiality adopted by our Board by way of a resolution dated August 10, 2021 with regard to the following: 1. disclosures relating to "material" litigations to be made in this Prospectus; 2. identification of our Group Companies; and 3. disclosures relating to outstanding material dues to "material" creditors of our Company to be made in this Prospectus
Memorandum of Association or MoA	Memorandum of association of our Company, as amended
Nomination and Remuneration Committee	Nomination and remuneration committee of our Company, constituted in accordance with the applicable provisions of the Companies Act and the SEBI Listing Regulations, as described in "*Our Management*" on page 188
Non-Executive Director	A director on our Board, as appointed from time to time, other than the Executive Director(s)
Promoter	The corporate Promoter of our Company, namely, Sion Investment Holdings Pte. Limited. For details, see "*Our Promoter and Promoter Group*" on page 208
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in "*Our Promoter and Promoter Group*" on page 208
Promoter Selling Shareholder	Sion Investment Holdings Pte. Limited.
Registered Office	T-151, 5th Floor, Tower No. 10, Sector-11, Railway Station Complex, CBD Belapur, Navi Mumbai Thane – 400614, Maharashtra
Registrar of Companies or RoC	The Registrar of Companies, Maharashtra at Mumbai situated at 100, Everest, Marine Drive, Mumbai - 400 002.
Restated Financial Information	Restated consolidated financial information of our Company and its subsidiaries (the Company and its subsidiaries together referred to as the ("**Group**") comprising the restated consolidated statement of assets and liabilities as at August 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows for the five months ended August 31, 2021 and years ended March 31, 2021, March 31, 2020 and March 31, 2019, and the statement of significant accounting policies, and other explanatory information in accordance with the SEBI ICDR Regulations
Shareholders	Shareholders of our Company from time to time
SIPL	Securitrans India Private Limited, a Material Subsidiary of our Company.
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Company, constituted in accordance with the applicable provisions of the Companies Act and the SEBI Listing Regulations and as described in "*Our Management*" on page 188
Subsidiary(ies)	Subsidiaries of our Company, as defined under Section 2(87) of the Companies Act, 2013, as of the date of this Prospectus 1. Securitrans India Private Limited, 2. CMS Securitas Limited,

Term	Description
	3. CMS Marshall Limited and 4. Quality Logistics Services Private Limited.

Offer Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allot, Allotment or Allotted	Unless the context otherwise requires, transfer of the Equity Shares pursuant to the Offer to successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100 million. For further details, see "*Offer Procedure*" on page 351.
Anchor Investor Allocation Price	Price at which Equity Shares were allocated to Anchor Investors in terms of the Red Herring Prospectus and this Prospectus and decided by our Company and the Promoter Selling Shareholder in consultation with the BRLMs during the Anchor Investor Bid/ Offer Period
Anchor Investor Application Form	Form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which was considered as an application for Allotment in terms of the Red Herring Prospectus and this Prospectus
Anchor Investor Bid/ Offer Period	December 20, 2021, being one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors were submitted, and the allocation to Anchor Investors was completed
Anchor Investor Offer Price	₹216, being the final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and this Prospectus The Anchor Investor Offer Price was by our Company and the Promoter Selling Shareholder in consultation with the BRLMs
Anchor Investor Pay-In Date	With respect to Anchor Investor(s), it was the Anchor Investor Bid/Offer Period, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/Offer Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which was allocated by our Company and the Promoter Selling Shareholder in consultation with the BRLMs, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
Application Supported by Blocked Amount or ASBA	Application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and included applications made by RIBs using the UPI Mechanism where the Bid Amount was blocked upon acceptance of UPI Mandate Request by RIBs
ASBA Account	Bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and included the account of an RIB which was blocked upon acceptance of a UPI Mandate Request made by the RIBs using the UPI Mechanism
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder(s)	All Bidders except Anchor Investors
ASBA Form	Application form, whether physical or electronic, used by ASBA Bidders which was considered as the application for Allotment in terms of the Red Herring Prospectus and this Prospectus

Term	Description
Axis	Axis Capital Limited.
Bankers to the Offer	Collectively, Escrow Collection Bank(s), Public Offer Bank(s), Sponsor Bank(s) and Refund Bank(s), as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer and which is described in "*Offer Procedure*" on page 351
Bid	Indication to make an offer during the Bid/ Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Offer Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of Retail Individual Bidders Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid.
Bid cum Application Form	Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	69 Equity Shares and in multiples of 69 Equity Shares thereafter
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries did not accept any Bids, being Thursday, December 23, 2021
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries started accepting Bids, being Tuesday, December 21, 2021
Bid/ Offer Period	Except in relation to Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which prospective Bidders could submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations. Provided that the Bidding was kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors
Bidder	A prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries accepted the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer was made
Book Running Lead Managers or BRLMs	The book running lead managers to the Offer, namely, Axis, DAM Capital, Jefferies and JM Financial
Broker Centres	Centres notified by the Stock Exchanges where ASBA Bidders could submit the ASBA Forms to a Registered Broker The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
CAN or Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on or after the Anchor Investor Bid/ Offer Period
Cap Price	Higher end of the Price Band, i.e., ₹216 per Equity Share, above which the Offer Price and the Anchor Investor Offer Price was not be finalised and above which no Bids were accepted
Cash Escrow and Sponsor Bank Agreement	Agreement dated December 14, 2021 entered into amongst our Company, the Promoter Selling Shareholder, the Registrar to the Offer, the BRLMs, the Syndicate Member(s), the Sponsor Bank, the Escrow Collection Bank, the Public Offer Bank and the Refund Bank in respect of collection of the Bid Amounts and where applicable, remitting refunds (if any) on the terms and conditions thereof and the appointment of Sponsor Bank in accordance with the UPI Circulars
Client ID	Client identification number maintained with one of the Depositories in relation to demat account

Term	Description
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the websites of the Stock Exchanges
Cut-off Price	Offer Price, finalised by our Company and the Promoter Selling Shareholder in consultation with the BRLMs, which was the price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion were entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders were not entitled to Bid at the Cut-off Price
DAM Capital	DAM Capital Advisors Limited (*Formerly IDFC Securities Limited*)
Demographic Details	The demographic details of the Bidders including the Bidders' address, name of the Bidders' father/husband, investor status, occupation, bank account details and UPI ID, wherever applicable
Designated CDP Locations	Such locations of the CDPs where Bidders could submit the ASBA Forms The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants which were eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Offer Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIBs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus and this Prospectus, after finalisation of the Basis of Allotment following which Equity Shares will be Allotted in the Offer
Designated Intermediary(ies)	In relation to ASBA Forms submitted by RIBs by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs In relation to ASBA Forms submitted by RIBs where the Bid Amount was blocked upon acceptance of UPI Mandate Request by such RIB using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs and RTAs In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders, Designated Intermediaries shall mean Syndicate, Sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders submitted the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs who were eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated SCSB Branches	Such branches of the SCSBs which collected the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	BSE Limited
Draft Red Herring Prospectus or DRHP	The draft red herring prospectus dated August 14, 2021 issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto
Eligible FPIs	FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitute an invitation to subscribe to the Equity Shares
Eligible NRI(s)	Eligible NRI(s) from jurisdictions outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Escrow Account(s)	Non lien and non-interest bearing accounts opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors transferred money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	Bank(s) which are a clearing member and registered with SEBI as banker(s) to an offer, under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994,

Term	Description
	and with whom the Escrow Account(s) in relation to the Offer for Bids by Anchor Investors, were opened, in this case being Axis Bank Limited
First or sole Bidder	Bidder whose name was mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name appeared as the first holder of the beneficiary account held in joint names
Floor Price	Lower end of the Price Band i.e., ₹205 per Equity Share
Frost & Sullivan	Frost & Sullivan (India) Private Limited
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document was available on the websites of the Stock Exchanges and the BRLMs
Jefferies	Jefferies India Private Limited
JM	JM Financial Limited
Maximum RIB Allottees	Maximum number of RIBs who could be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price
Mutual Fund Portion	5% of the Net QIB Portion, or 509,260* Equity Shares which were available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price **Subject to finalisation of Basis of Allotment*
Net Proceeds	Proceeds of the Offer less Offer expenses. For further details regarding the use of the Net Proceeds and the Offer expenses, see "*Objects of the Offer*" on page 102
Net QIB Portion	The QIB Portion less the number of Equity Shares allocated to the Anchor Investors
Non-Institutional Bidders	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	Portion of the Offer being not less than 15% of the Offer consisting of 7,638,889* Equity Shares which were available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price **Subject to finalisation of Basis of Allotment*
Non-Resident	Person resident outside India, as defined under FEMA and includes NRIs, FVCIs, VCFs, and FPIs
OCCPS	0.01% Optionally Convertible Cumulative Redeemable Preference Shares of our Company with face value of ₹100 each. As on the date of this Prospectus, there are no outstanding OCCPS. For further details, see "*Capital Structure*" on page 83.
Offer	The initial public offer of 50,925,925* Equity Shares of face value of ₹10 each for cash at a price of ₹216 per Equity Shares aggregating to ₹11,000 million through an Offer for Sale by the Promoter Selling Shareholder. **Subject to finalisation of Basis of Allotment*
Offer Agreement	Agreement dated August 14, 2021 amongst our Company, the Promoter Selling Shareholder and the Book Running Lead Managers, pursuant to which certain arrangements have been agreed to in relation to the Offer
Offer for Sale	The offer for sale of the Offered Shares, at the Offer Price aggregating to ₹11,000 million offered for sale by the Promoter Selling Shareholder in the Offer
Offer Price	₹216, being the final price at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and this Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company and the Promoter Selling Shareholder in consultation with the BRLMs in terms of the Red Herring Prospectus and this Prospectus. The Offer Price was decided by our Company and the Promoter Selling Shareholder in consultation with the BRLMs on the Pricing Date in accordance with the Book-building Process and the Red Herring Prospectus and this Prospectus.
Offered Shares	50,925,925* Equity Shares offered for sale, by Sion Investment Holdings Pte. Limited **Subject to finalisation of Basis of Allotment*

Term	Description
Price Band	Price band of a minimum price of ₹205 per Equity Share (Floor Price) and the maximum price of ₹216 per Equity Share (Cap Price) including any revisions thereof The Price Band, the minimum Bid Lot size for the Offer were decided by our Company and the Promoter Selling Shareholder in consultation with the BRLMs
Pricing Date	Date on which our Company and the Promoter Selling Shareholder in consultation with the BRLMs, finalised the Offer Price
Prospectus	This prospectus dated December 24, 2021 to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	No lien and non-interest bearing account opened with the Public Offer Bank, under Section 40(3) of the Companies Act to receive monies from the Escrow Account and ASBA Accounts on the Designated Date
Public Offer Bank(s)	A bank which is a clearing member and registered with SEBI as a banker to an offer and with which the Public Offer Account is opened, in this case being Axis Bank Limited
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer consisting of 25,462,962* Equity Shares which were available for allocation to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors) **Subject to finalisation of Basis of Allotment*
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP	The red herring prospectus dated December 14, 2021, issued in accordance with Section 32 of the Companies Act and the provisions of the SEBI ICDR Regulations, which did not have complete particulars of the Offer Price and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus was filed with the RoC at least three Working Days before the Bid/ Offer Opening Date and has become the Prospectus upon filing with the RoC after the Pricing Date
RedSeer	RedSeer Management Consulting Private Limited
Refund Account(s)	No lien and non-interest bearing account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made
Refund Bank(s)	Banker(s) to the Offer and with whom the Refund Account has been opened, in this case being Axis Bank Limited
Registered Brokers	Stock brokers registered with SEBI and the stock exchanges having nationwide terminals, other than the members of the Syndicate and who were eligible to procure Bids in terms of the SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar Agreement	Agreement dated August 10, 2021 amongst our Company, the Promoter Selling Shareholder and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and who were eligible to procure Bids at the Designated RTA Locations as per the list available on the websites of the Stock Exchanges, and the UPI Circulars
Registrar to the Offer	Link Intime India Private Limited
Retail Individual Bidder(s) or RIB(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their *karta* and Eligible NRIs)
Retail Portion	Portion of the Offer being not less than 35% of the Offer consisting of 17,824,074* Equity Shares which were available for allocation to Retail Individual Bidders (subject to valid Bids being received at or above the Offer Price) **Subject to finalisation of Basis of Allotment*
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s) QIB Bidders and Non-Institutional Bidders were not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders could revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/ Offer Closing Date

Term	Description
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, which offered the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount was blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to RIBs using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time Applications through UPI in the Offer could be made only through the SCSBs mobile applications (apps) whose name appeared on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI mechanism is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43. The said list shall be updated on the SEBI website
Share Escrow Agent	Escrow agent appointed pursuant to the Share Escrow Agreement, namely, Link Intime India Private Limited
Share Escrow Agreement	Agreement dated December 14, 2021 entered into amongst our Company, the Promoter Selling Shareholder and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Promoter Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding Centres where the Syndicate accepted ASBA Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Sponsor Bank	Axis Bank Limited, being a Banker to the Offer, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIBs using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars
Syndicate Agreement	Agreement dated December 14, 2021 entered into amongst our Company, the Promoter Selling Shareholder, the Syndicate Members and the Registrar to the Offer, in relation to collection of Bids by the Syndicate
Syndicate Members	Intermediaries (other than the BRLMs) registered with SEBI who were permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter, namely, JM Financial Services Limited and Sharekhan Limited
Syndicate or members of the Syndicate	Together, the BRLMs and the Syndicate Members
Underwriters	Axis Capital Limited, JM Financial Limited, JM Financial Services Limited, DAM Capital Advisors Limited (*Formerly IDFC Securities Limited*), Sharekhan Limited and Jefferies India Private Limited
Underwriting Agreement	Agreement dated December 24, 2021 entered into amongst our Company, the Promoter Selling Shareholder and the Underwriters prior to filing of this Prospectus with the RoC
UPI	Unified payments interface, which is an instant payment mechanism, developed by NPCI
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS on directing the RIB to such UPI linked mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment

Term	Description
UPI Mechanism	The bidding mechanism used by an RIB with UPI as a mode of payment in accordance with the UPI Circulars to make an ASBA Bid in the Offer
UPI PIN	Password to authenticate a UPI transaction
Working Day	All days on which commercial banks in Mumbai, Maharashtra are open for business. In respect of announcement of Price Band and Bid/ Offer Period, Working Day meant all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai, Maharashtra were open for business. In respect of the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays in India, as per circulars issued by SEBI, including the UPI Circulars

Technical/ Industry Related Terms/ Abbreviations

Term	Description
AMC	Annual Maintenance Contract
ATM	Automated Teller Machine.
BFSI	Banking, Financial Services and Insurance institutions.
BNA	Bunch note acceptors
BRIC nations	Brazil, Russia, India and China.
CIC	Cash in circulation.
CII	The Confederation of Indian Industry.
CIT	Cash in transit.
COD	Cash on delivery.
COVID-19	The novel Coronavirus disease (COVID-19) is an infectious disease caused by a newly discovered coronavirus.
CPD	Cash Pickup and Delivery.
DCV	Dedicated cash-in-transit van.
EJ	Electronic journal
GDP	Gross domestic product.
GST	Good and services tax.
IMF	International Monetary Fund.
KYC	Know Your Customer (services)
LAB	Local area bank.
MHA	Ministry of Home Affairs, Government of India.
ML	Machine-learning
MSPs	Managed services provider.
MVS	Multi-vendor software
NASSCOM	The National Association of Software and Services Companies.
NCS	Note Circulation Scheme
NPCI	National Payments Corporation of India
NPA	Non-performing asset.
OEM	Original equipment manufacturer.
OPEX	Operating expense.
OTC	One-time combination (lock)
POS	Point of sale.
PSB	Public sector bank.
RBI	Reserve Bank of India.
RCM	Retail Cash Management

Term	Description
RFP	Request for proposals.
SBI	State Bank of India.
SCB	Scheduled commercial bank.
SURU	Semi-urbanl/rural.
TAM	Total available/ addressable market.
TCR	Teller Cash Recycler
UCB	Urban co-operative bank.
UPI	Unified payment interface.
UPS	Uninterruptible power supply

Conventional and General Terms or Abbreviations

Term	Description
₹, Rs., Rupees or INR	Indian Rupees
ACH	Automated Clearing House
Adjusted EBITDA	EBIDTA minus Finance income plus Share based payment to employees and Advances written off (non-operating expenses)
Adjusted Profit After Tax	Profit after tax plus shared based payment to employees and Advances written off (non-operating expenses) minus tax impact on adjustment
AIFs	Alternative Investments Funds, as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
BSE	BSE Limited
CSR	Corporate Social Responsibility
Calendar Year	A calendar year is a one-year period that begins on January 1 and ends on December 31, based on the commonly-used Gregorian calendar
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Copyright Act	The Copyright Act, 1957
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Civil Code	The Code of Civil Procedure, 1908
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act	Companies Act, 2013, along with the relevant rules, clarifications and modifications made thereunder
Companies Act, 1956	Companies Act, 1956, along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, along with the relevant rules made thereunder
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (*earlier known as the Department of Industrial Policy and Promotion*)
DP ID	Depository participant identification number

Term	Description
DP/ Depository Participant	Depository participant as defined under the Depositories Act
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EGM	Extraordinary General Meeting
EPFMP Act	Employees' Provident Funds and Miscellaneous Provisions Act, 1952
ESI Act	Employees State Insurance Act, 1948
EPS	Earnings per share
FCNR	Foreign Currency Non-Resident
FDI	Foreign direct investment
FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT through notification dated October 28, 2020 effective from October 15, 2020, issued by the DPIIT
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Non-Debt Instruments Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, GoI
FIR	First information report
"Financial Year" or "Fiscal" "FY"	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI(s)	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
GAAR	General Anti Avoidance Rules
Gazette	Gazette of India
GoI or Government or Central Government	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family(ies)
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Ind AS or Indian Accounting Standards	Indian Accounting Standards referred to in the Companies Act and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
India	Republic of India
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
IT	Information Technology
IT Act	The Income Tax Act, 1961
ITGC	Information technology general control
MCA	Ministry of Corporate Affairs, Government of India
MoSPI	Ministry of Statistics and Implementation, Government of India
MSME	Micro, small or medium enterprise
Mutual Fund (s)	Mutual Fund(s) means mutual funds registered under the SEBI (Mutual Funds) Regulations, 1996
N/A	Not applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC	Non-banking financial company
NBFC-SI	Systemically important non-banking financial company
NEFT	National Electronic Funds Transfer

Term	Description
National Investment Fund	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India
NRI	Person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016 or an overseas citizen of India cardholder within the meaning of Section 7(A) of the Citizenship Act, 1955
NRE Account	Non-resident rupee account
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on the date of commencement of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs) Regulations, 2003 i.e. October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs were not allowed to invest in the Offer
OPBDIT	Operating Profit Before Depreciation, Interests and Taxes
OSP	Other Service Provider
p.a.	Per annum
P/E	Price/earnings
P/E Ratio	Price/earnings ratio
PAN	Permanent account number
PAT	Profit after tax
PPP	Public-Private Partnership
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934
RoNW	Return on Net Worth
RTA	Registrars to an Issue and Share Transfer Agents
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SBEB Regulations 2021	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	SEBI (Foreign Venture Capital Investors) Regulations 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Intermediaries Regulations	Securities and Exchange Board of India (Intermediaries) Regulations, 2008
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Banker Regulations	SEBI (Merchant Bankers) Regulations, 1992
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

Term	Description
SEBI VCF Regulations	The *erstwhile* Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
State Government	The government of a state in India
Stock Exchanges	BSE and NSE
STT	Securities transaction tax
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax deduction account number
U.S. GAAP	Generally Accepted Accounting Principles in the United States
U.S. QIBs	"Qualified institutional buyers" as defined in Rule 144A. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as "QIBs"
U.S. Securities Act	U.S. Securities Act of 1933, as amended
U.S., USA or United States	United States of America
USD or US$ or $	United States Dollars, the official currency of the United States
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of the SEBI ICDR Regulations

OFFER DOCUMENT SUMMARY

The following is a general summary of the terms of the Offer and is neither exhaustive, nor purports to contain a summary of all the disclosures in the Draft Red Herring Prospectus, the Red Herring Prospectus or this Prospectus, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including "Risk Factors", "Objects of the Offer", "Our Business", "Industry Overview", "Capital Structure", "The Offer", "Financial Statements", "Outstanding Litigation and Material Developments", "Offer Procedure" and "Description of Equity Shares and Terms of Articles of Association" on pages 25, 102, 146, 112, 83, 67, 213, 320, 351 and 369, respectively.

<table>
<tr><td>Summary of the primary business of the Company</td><td>We are India's largest cash management company based on number of ATM points and number of retail pick-up points as of March 31, 2021. (Source: Frost & Sullivan). Our integrated business platform is supported by customised technology and process controls, which enables us to offer our customers a wide range of tailored cash management and managed services solutions, while generating cross-selling opportunities and driving synergies and efficiencies across our business. We cater to broad set of outsourcing requirements for BFSI, organized retail and e-commerce companies in India. We operate our business in three segments: cash management services, managed services and others (card personalization services), which accounted for 68.61%, 27.88% and 3.51%, respectively, of revenue from operations in Fiscal Year 2021.</td></tr>
<tr><td>Summary of the Industry</td><td>The cash management value chain in India includes primarily cash management services, which includes ATM cash management, retail cash management and cash-in-transit; and ATM managed services, which include white label ATM and Brown Label ATM services, banking automation product sales and services ("AMC"), and software and technology solutions. The total available market for the cash management services and managed services markets, including AMC, multi-vendor software and remote monitoring was ₹85 billion in Fiscal Year 2021 and is estimated to reach a size of ₹214 billion by Fiscal Year 2027, growing at a CAGR of 16.58%. (Source: Frost and Sullivan).</td></tr>
<tr><td>Name of Promoter</td><td>Sion Investment Holdings Pte. Limited. For details, see "Our Promoter and Promoter Group" on page 208</td></tr>
<tr><td>Offer size</td><td>Offer for Sale of 50,925,925* Equity Shares, by Sion Investment Holdings Pte. Limited, for cash at a price of ₹216 per Equity Share (including a premium of ₹206 per Equity Share) aggregating to ₹11,000 million. The Offer shall constitute 34.41% of the post-Offer paid-up Equity Share capital of our Company.
*Subject to finalisation of Basis of Allotment</td></tr>
<tr><td>Objects of the Offer</td><td>The objects of the Offer are to (i) to carry out the Offer for Sale of 50,925,925* Equity Shares by the Promoter Selling Shareholder; and (ii) achieve the benefits of listing the Equity Shares on the Stock Exchanges. For further details, see "Objects of the Offer" on page 102.
*Subject to finalisation of Basis of Allotment</td></tr>
<tr><td>Aggregate pre-Offer shareholding of our Promoter and Promoter Group, and Promoter Selling Shareholder as a percentage of our paid-up Equity Share capital</td><td>(a) The aggregate pre-Offer shareholding of our Promoter and Promoter Group as a percentage of the pre-Offer paid-up Equity Share capital of the Company is set out below
<table>
<tr><th>Name</th><th>No. of Equity Shares</th><th>Percentage of the pre-Offer Equity Share capital (%)</th></tr>
<tr><td colspan="3">Promoter</td></tr>
<tr><td>Sion Investment Holdings Pte. Limited</td><td>148,000,000#</td><td>100.00</td></tr>
<tr><td>Total</td><td>148,000,000#</td><td>100.00</td></tr>
</table>
Includes six Equity Shares, of which one Equity Share each held by Hemant Chopra, Dinesh Salian, Manjunath Rao Pare Parmeshwar, Neeta Khandelwal, Pankaj Khandelwal and Sanjay Panchal, in relation to which Sion Investment Holdings Pte. Limited is the beneficial owner.

(b) The aggregate pre-Offer shareholding of the Promoter Selling Shareholder as a percentage of the pre-Offer paid-up Equity Share capital of the Company is set out below:
<table>
<tr><th>Name</th><th>No. of Equity Shares</th><th>Percentage of the pre-Offer Equity Share Capital (%)</th></tr>
<tr><td>Sion Investment Holdings Pte. Limited</td><td>148,000,000#</td><td>100.00</td></tr>
<tr><td>Total</td><td>148,000,000#</td><td>100.00</td></tr>
</table>
Includes six Equity Shares, of which one Equity Share each held by Hemant Chopra, Dinesh Salian, Manjunath Rao Pare Parmeshwar, Neeta Khandelwal, Pankaj Khandelwal and Sanjay Panchal, in relation to which Sion Investment Holdings Pte. Limited is the beneficial owner.</td></tr>
<tr><td>Summary of Selected Financial Information</td><td>(a) The details of our share capital, Net Worth, Net Asset Value per Equity Share and total borrowings as at August 31, 2021, March 31, 2021, 2020 and 2019 derived from the Restated Financial Information are as follows:
(₹ in million, except per share data)</td></tr>
</table>

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
(A) Equity share capital	1,480.00	1,480.00	1,480.00	1,480.00
(B) Net Worth[1]	10,593.69	9,844.76	8,503.91	7,458.98
(C) Net Asset Value per Equity Share	71.58	66.52	57.46	50.40
(D) Total borrowings	-	-	-	-

[1] "Net Worth", restated and consolidated, means the aggregate of share capital and other equity (including capital reserve and share options outstanding account) on restated basis

(b) The details of our total income, profit after tax and earnings per Equity Share (basic and diluted) for the five months ended August 31, 2021 and for Fiscals 2021, 2020 and 2019 derived from Restated Financial Information are as follows:

(₹ in million, except per share data)

Particulars	For the period ended			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Total income	6,297.23	13,219.21	13,882.94	11,593.19
Profit for the period/ year	844.70	1,685.23	1,347.09	961.41
Earnings per share				
- Basic	5.71	11.39	9.10	6.50
- Diluted	5.49	11.09	8.87	6.33

Auditor's qualifications which have not been given effect to in the Restated Financial Information

There are no auditor qualifications which have not been given effect to in the Restated Financial Information.

Summary table of outstanding litigations

A summary of outstanding litigation proceedings involving our Company, Promoter, Directors and Subsidiaries as disclosed in "*Outstanding Litigation and Material Developments*" on page 320, in terms of the SEBI ICDR Regulations and the Materiality Policy as of the date of this Prospectus is provided below:

(in ₹ million, unless otherwise specified)

Nature of cases	No. of cases	Total amount involved
Litigation involving our Company		
Against our Company		
*Material litigation proceedings^*	11	101.93
Criminal cases	39	59.80
Action taken by statutory and regulatory authorities	2	4.31*
Claims relating to direct and indirect tax proceedings	24	546.25
By our Company		
*Material litigation proceedings^*	1	150.00
Criminal cases	392	1,115.89
Litigation involving our Subsidiaries		
Against our Subsidiaries		
*Material litigation proceedings^*	6	19.75
Criminal cases	14	25.56
Action taken by statutory and regulatory authorities	7	0.87*
Claims relating to direct and indirect tax proceedings	2	2.67
By our Subsidiaries		
*Material litigation proceedings^*	1	313.44
Criminal cases	128	500.43
Litigation involving our Directors		
Against our Directors		
*Material litigation proceedings^*	1	-*
Action taken by statutory and regulatory authorities	1	-*
Criminal cases	2	-*
Litigation involving our Promoter		
Against our Promoter		
*Material litigation proceedings^*	1	-*

^Based on the Materiality Policy
**To the extent quantifiable*

Risk Factors

For details of the risks applicable to us, see "*Risk Factors*" on page 25. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer.

Summary table of contingent liabilities

The following is a summary table of our contingent liabilities as at August 31, 2021 as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets as per the Restated Financial Information:

(₹ in million)

S. No.	Particulars	As at August 31, 2021
1.	Disputed customs matters	92.65
2.	Disputed VAT matters	247.88
3.	Disputed excise matters	69.03
4.	Disputed CST matters	7.61
5.	Disputed GST matters	0.82
6.	Disputed service tax matters	11.21
7.	Employee litigation matters	12.83
8.	Disputed income tax matter	119.57
	Total	**561.60**

For further details of our contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, see "*Financial Statements*" on page 213.

Summary of related party transactions

The details of related party transactions of our Company for the five months ended August 31, 2021 and for the fiscal years ended March 31, 2021, 2020 and 2019, as per Ind AS 24 – Related Party Disclosures as per the Restated Financial information are set forth in the table below:

(₹ in million)

Sr. No.	Nature of transaction	For the five months ended August 31, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
A	**Interest Income**				
	Securitrans India Private Limited	-	4.29	13.11	74.86
B	**Guarantee Income**				
	Securitrans India Private Limited	1.33	3.20	3.20	3.20
C	**IPO Expenses recoverable**				
	Sion Investment Holdings Pte. Limited	79.30	-	-	7.09
D	**Service charges**				
	CMS Marshall Limited	269.21	438.85	434.62	401.42
	CMS Securitas Limited	111.29	274.17	286.17	280.75
	Securitrans India Private Limited	-	124.74	188.35	47.89
E	**Reimbursement of power and electricity and Maintenance**				
	CMS Securitas Limited	1.55	3.55	6.09	5.21
F	**Reimbursement of Insurance Charges**				
	Securitrans India Private Limited	-	17.34	24.65	14.96
G	**Reimbursement of Other Expenses**				
	Securitrans India Private Limited	148.85	366.07	454.73	-
H	**Loans given during the year**				
	Securitrans India Private Limited	-	768.44	875.06	616.80

I	**Loans received back during the year**				
	Securitrans India Private Limited	-	992.41	1,433.47	1,180.99
J	**Remuneration to KMP (short-term employee benefits)**				
	Rajiv Kaul	36.88	96.48	66.99	57.82
	Pankaj Khandelwal	5.36	13.21	12.19	12.34
	Gopal Krishna Pillai	-	-	2.10	2.10
	Shyamala Gopinath	0.88	2.10	2.10	2.10
	Krzysztof Wieslaw Jamroz	0.12	-	2.10	2.10
	Krishna Mohan Sahni	-	2.10	-	-
	Tapan Ray	0.88	-	-	-
K	**Employee stock option compensation cost**				
	Rajiv Kaul	6.33	15.69	15.69	15.69
	Pankaj Khandelwal	-	0.32	1.62	3.15
L	**Sitting fees paid to Directors**				
	Gopal Krishna Pillai	-	-	0.30	0.40
	Shyamala Gopinath	0.40	0.40	0.30	0.40
	Krzysztof Wieslaw Jamroz	0.10	-	0.20	0.40
	Tapan Ray	0.40			
	Krishna Mohan Sahni	-	0.40	-	-
	Summary of balance receivable from / (payable to) the above related parties are as follows:				
A	**Remuneration payable to KMP**				
	Rajiv Kaul	(24.24)	(34.89)	(35.52)	(18.65)
	Pankaj Khandelwal	(2.00)	(2.78)	(2.63)	(2.46)
	Gopal Krishna Pillai	-	-	-	(0.53)
	Shyamala Gopinath	(0.88)	(0.53)	(0.53)	(0.53)
	Tapan Ray	(0.88)			
	Krzysztof Wieslaw Jamroz	(0.12)			
B	**Sitting fees Payable to Directors**				
	Gopal Krishna Pillai	-	-	-	(0.10)
	Shyamala Gopinath	(0.20)	-	(0.10)	(0.10)
	Krzysztof Wieslaw Jamroz	(0.10)	-	-	(0.10)
	Tapan Ray	(0.20)			
C	**Balances outstanding at the year end**				
	Sion Investment Holdings Pte. Limited	79.30	-	-	88.17
	CMS Securitas Limited	(58.65)	(63.07)	(64.59)	(43.89)
	CMS Marshall Limited	(96.84)	(83.97)	(71.01)	(56.99)
	Securitrans India Private Limited	6.81	-	223.96	307.02

Further, the details of the related party transactions as a percentage of revenue from operations in the Restated Financial Information for the last three fiscal years and for the five-month period ended August 31, 2021 is as follows:

For the five-month period ended August 31, 2021: 2.09%
Fiscal Year 2019: 0.74%
Fiscal Year 2020: 0.79%

	Fiscal Year 2021: 1.00% For further details, see *"Financial Statements- Related Party Transactions"* at page 264.
Details of all financing arrangements whereby the Promoter, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of the Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Draft Red Herring Prospectus and this Prospectus	Our Promoter, members of our Promoter Group, our Directors and their relatives have not financed the purchase by any person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Draft Red Herring Prospectus and this Prospectus.
Weighted average price at which the specified securities were acquired by our Promoter Selling Shareholder, in the last one year	No Equity Shares of our Company were acquired by our Promoter Selling Shareholder in the one year preceding the date of this Prospectus.
Weighted average price at which specified securities were acquired by the Shareholders in the three years and one year preceding the date of this Prospectus	No Equity Shares have been acquired by the Shareholders of our Company, in the last three years and one year preceding the date of this Prospectus.
Details of price at which the Equity Shares were acquired by each of our Promoter, Promoter Group, the Promoter Selling Shareholder and the shareholder entitled with right to nominate directors or any other rights, in the last three years preceding the date of this Prospectus	No Equity Shares have been acquired by our Promoter, Promoter Group, the Promoter Selling Shareholder and the shareholder entitled with right to nominate directors or any other rights, in the last three years preceding the date of this Prospectus.
Average cost of acquisition of shares of our Promoter Selling Shareholder as on the date of this Prospectus	See table below
Size of the pre-IPO placement and allottees, upon completion of the placement	Not applicable.
Any issuance of Equity Shares in the last one year for consideration other than cash	Our Company has not issued any Equity Shares in the last one year from the date of this Prospectus, for consideration other than cash.
Any split/consolidation of Equity Shares in the last one year	Not applicable.

Name	Number of Equity Shares acquired	Average cost of acquisition per Equity Share (in ₹) [#]
Promoter Selling Shareholder		
Sion Investment Holdings Pte. Limited	148,000,000	122.04

[#] *As certified by M/s JMT & Associates, Chartered Accountants, in their certificate dated December 24, 2021.*

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references to "India" in this Prospectus are to the Republic of India, All references to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable. All references to "USA", "US", "U.S." and "United States" are to the United States of America

Unless stated otherwise, all references to page numbers in this Prospectus are to the page numbers of this Prospectus.

Financial Data

Unless stated otherwise or the context otherwise requires, the financial data in this Prospectus is derived from the Restated Financial Information. For further information, see "*Financial Statements*" on page 213. The Restated Financial Information of our Company and Subsidiaries, as at August 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019 together with its notes, annexures and schedules have been derived from the respective audited financial statements and have been prepared in accordance with the applicable provisions of the Companies Act, Ind AS and restated in accordance with the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI and the SEBI ICDR Regulations.

Our Company's Financial Year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular Financial Year, unless stated otherwise, are to the 12 month period ended on March 31 of that year. Unless the context otherwise requires, all references to a year in this Prospectus are to a calendar year.

There are significant differences between Ind AS and U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting principles, policies and practices, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting principles, policies and practices on the financial disclosures presented in this Prospectus should accordingly be limited. See "*Risk Factors – 51. Significant differences exist between Ind AS and other accounting principles, such as, IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition*." on page 61.

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 25, 146 and 290, respectively, and elsewhere in this Prospectus have been calculated on the basis of the Restated Financial Information.

In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. Except as otherwise stated, all figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." Are to the Indian Rupee, the official currency of India; and
- "USD" or "US$" or "$" are to the United States Dollar, the official currency of the United States.

Our Company has presented all numerical information in this Prospectus in "million" units or in whole numbers where the numbers have been too small to represent in millions. One million represents 1,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Exchange Rates

This Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the respective foreign currencies:

Currency	As at			
	August 31, 2021(1)	March 31, 2021(1)	March 31, 2020(1)	March 31, 2019(1)
1 USD	73.15	73.50	75.39	69.17

Source: www.rbi.org.in and www.fbil.org.in

(1) If the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day have been disclosed

Non-Generally Accepted Accounting Principles Financial Measures

Certain non-generally accepted accounting principle ("**Non-GAAP**") measures such as, Adjusted EBITDA, EBITDA, Adjusted Profit After Tax, Net Worth, Net Asset Value per Equity Share, Return on Net Worth, Net Tangible Assets and Average Operating Profit ("**Non-GAAP Measures**") presented in this Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS or IFRS. In addition, these Non-GAAP measures are not a standardised term, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us because they are widely used measures to evaluate a company's operating performance.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Prospectus has been obtained or derived from publicly available information as well as industry publication and sources. Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page 25. Accordingly, investment decisions should not be based solely on such information.

The sections "*Offer Document Summary*", "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" of this Prospectus contain data and statistics from the report titled "*Assessment of Cash Management Services Market in India*" prepared by Frost & Sullivan, dated August 11, 2021 and report titled "*Tracking Cash Usage in India*" dated April 1, 2021 by RedSeer, and commissioned and paid for by our Company specifically for the purposes of the Offer. Frost & Sullivan has submitted an updated version of their report dated October 25, 2021.

The report from Frost & Sullivan is subject to the following disclaimer:

"The report on "*ASSESSMENT OF CASH MANAGEMENT SERVICES MARKET IN INDIA" dated August 11, 2021 and the update report on October 25, 2021 (collectively, the "Report") has been prepared for the proposed initial public offering of equity shares by CMS Info Systems Limited (the "Company").*

This study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Frost & Sullivan (India) Private Limited ("Frost & Sullivan") and its assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.

Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged.

Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements."

The report from Redseer is subject to the following disclaimer:

"The market information in RedSeer Management Consulting Private Limited's report titled "Tracking Cash Usage in India" (the "Report") is arrived at by employing an integrated research methodology which includes secondary and primary research. RedSeer's primary research work includes surveys and in-depth interviews of consumers, customers and other relevant ecosystem participants, and consultations with market participants and experts. In addition to the primary research, quantitative market information is also derived based on data from trusted portals and industry publications. Therefore, the information is subject to limitations of, among others, secondary statistics and primary research, and accordingly the findings do not purport to be exhaustive. RedSeer's estimates and assumptions are based on varying levels of quantitative and qualitative analyses from various sources, including industry journals, company reports and information in the public domain. RedSeer's research has been conducted with a broad perspective on the industry and will not necessarily reflect the performance of individual companies in the industry. RedSeer shall not be liable for any loss suffered by any person on account of reliance on the information contained in the Report.

While RedSeer has taken due care and caution in preparing the Report based on information obtained from sources generally believed to be reliable, its accuracy, completeness and underlying assumptions are subject to limitations like interpretations of market scenarios across sources, and data availability, amongst others.
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Forecasts, estimates and other forward-looking statements contained in the Report are inherently uncertain and could fluctuate due to changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Additionally, the COVID-19 coronavirus pandemic has significantly affected economic activity in general and it is yet to be fully abated. The forecasts, estimates and other forward-looking statements in the Report depend on factors like the recovery of the economy, evolution of consumer sentiments, the competitive environment, amongst others, leading to significant uncertainty, all of which cannot be reasonably and accurately accounted for. Actual results and future events could differ materially from such forecasts, estimates, or such statements.

The Report is not a recommendation to invest/disinvest in any entity covered in the Report and the Report should not be construed as investment advice within the meaning of any law or regulation. Therefore, reliance should not be placed on this Report for making any investment decisions.

Without limiting the generality of the foregoing, nothing in the Report should be construed as RedSeer providing or intending to provide any services in jurisdictions where it does not have the necessary permission and/or registration to carry out its business activities in this regard. No part of the Report shall be reproduced or extracted or published in any form without RedSeer's prior written approval."

For risks in this regard, see "*Risk Factors – 56. We have commissioned and paid for an industry report from Frost & Sullivan specifically for the purpose of the Offer, which have been used for industry related data in this Prospectus"* on page 62.

The extent to which the market and industry data used in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors*" on page 25.

In accordance with the SEBI ICDR Regulations, the section "*Basis for Offer Price*" on page 104 includes information relating to our unlisted and listed industry peers. Such information has been derived from publicly available sources.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares have been offered and sold (a) in the United States only to persons reasonably believed to be U.S. QIBs in reliance on Rule 144A or another available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act, and (b) outside the United States in offshore transactions in compliance with Regulation S, and in each case in compliance with the applicable laws of the jurisdiction where those offers and sales are made. Prospective purchasers are hereby notified that the sellers of the Equity Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A thereunder.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain “forward-looking statements”. All statements contained in this Prospectus that are not statements of historical fact constitute “forward-looking statements”. All statements regarding our expected financial condition and results of operations, business, plans and prospects are “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “likely to”, “seek to”, “shall”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements made by us in this Prospectus are based on our current plans, estimates, presumptions and expectations and are subject to corresponding risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement, including but not limited to, regulatory changes pertaining to the industries we serve and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- A decrease in the availability or use of cash as the predominant mode of payment in India;
- Any adverse developments with respect to Indian banks that adversely affects their utilisation of and demand for cash management services or their deployment or utilisation of ATMs;
- Uncertainty in relation to the continuing effects of the COVID-19 pandemic and any potential material and adverse impact on our business and operations;
- Any changes in prudential norms and regulations that may have an adverse effect on our business, results of operations, financial condition and cash flows;
- Banks ceasing to engage MSPs to whom we provide our services;
- Materialisation of the security risks faced by our business;
- Our relationships with our workforce and the trade unions, as well as changes in the laws and regulations applicable to our business; and
- Failures of our information technology systems and violations of our information technology systems by third parties.

For further discussion of factors that could cause the actual results to differ from the expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 25, 146 and 290, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

Forward-looking statements reflect our current views as of the date of this Prospectus and are not a guarantee of our future performance. There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. These statements are based on our management’s belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward looking statements are based on are reasonable, any of these assumptions could prove to be inaccurate and the forward looking statements based on these assumptions could be incorrect. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance. Neither our Company, our Promoter, our Directors, the BRLMs nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the requirements of SEBI, our Company shall ensure that investors in India are informed of material developments from the date of this Prospectus in relation to the statements and undertakings made by them in this Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer. Further, the Promoter Selling Shareholder shall ensure that investors in India are informed of material developments from the date of this Prospectus in relation to the statements and undertakings specifically made or confirmed by the Promoter Selling Shareholder in this Prospectus to the extent of information specifically pertaining to itself and the Offered Shares in the Offer for Sale until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer.

SECTION II: RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all of the information disclosed in this Prospectus, including the risks and uncertainties described below, before making an investment decision in the Equity Shares. The risks described below are not the only ones relevant to us or the Equity Shares, to the industries in which we operate or in India. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business, financial condition, results of operations, cash flows and prospects. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and the risks involved. If any of the risks described below or other risks that are currently not known or deemed immaterial actually occur, our business, financial condition, results of operations, cash flows and prospects could be adversely affected, the trading price of the Equity Shares could decline, and prospective investors may lose all or part of their investment. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares. Prospective investors should read this section in conjunction with the other sections of this Prospectus, in particular the sections titled "Our Business", "Industry Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 146, 112 and 290, respectively, as well as the Restated Financial Statements included in the section titled "Financial Statements" on page 213.

To the extent the COVID-19 pandemic adversely affects our business and results of operations, it may also have the effect of heightening many of the other risks described in this section. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. You should consult your tax, financial and legal advisers about the particular consequences to you of an investment in our Equity Shares.

This Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. For further details, see "Forward-Looking Statements" on page 24.

Unless otherwise stated or required by context, the financial information used in this section has been derived from our Restated Financial Information of our Company.

A. INTERNAL RISKS AND RISKS ASSOCIATED WITH OUR BUSINESS

1. The proceeds from this Offer will not be available to us.

The objects of the Offer are to (i) to carry out the Offer for Sale of 50,925,925 Equity Shares (subject to finalisation of Basis of Allotment) by the Promoter Selling Shareholder aggregating up to ₹11,000 million; and (ii) achieve the benefits of listing the Equity Shares on the Stock Exchanges. Our Company will not receive any proceeds from the Offer and all such proceeds (net of any Offer related expenses to be borne by the Promoter Selling Shareholder) will go to the Promoter Selling Shareholder. As a result, we will not benefit from such proceeds. For further information, see "*Objects of the Offer*" on page 102.

2. A decrease in the availability or use of cash as the predominant mode of payment in India could have an adverse effect on our business, results of operations, cash flows and financial condition.

Our business and results of operations are significantly dependent on the use of cash remaining the predominant mode of payment in India. The use of cash as the predominant method of payment in India has historically been driven primarily by consumer and retailer preferences for cash, and challenges related to cashless and other methods of non-cash payments, including limitations on the availability and security of such methods of payments and the additional surcharges and fees often levied for their use. However, the proliferation of payment options other than cash, including credit cards, debit cards, POS terminals, stored-value cards, mobile payments and on-line purchase activity has increased significantly in India in recent years and a continued shift in consumer trends in India with respect to the use of cashless payment methods could result in a significant reduction in the use of cash as a payment method.

Promoting cashless payments has been a key part of the GoI's broader efforts to, among other things, curtail the circulation of counterfeit Indian currency, and the RBI and the GoI have publicly stated that they are undertaking initiatives to encourage greater adoption of electronic and cashless payment methods, which could reduce the amount of cash in circulation and the use of cash as the preferred mode of payment in India. In addition, the RBI has set out in its "Payment and Settlement Systems in India: Vision 2019 – 2021" statement of May 15, 2019 that it is undertaking strategic initiatives to encourage greater adoption of cashless payment methods to empower every person in India with access to e-payment options through specific actions that seek to enable the payments ecosystem and infrastructure. In addition, other government initiatives, such as the implementation of the Goods and Services Tax ("**GST**"), that drive further formalization of the Indian economy may also indirectly drive shifts from cash payments to digital/non-cash payments by small businesses that may further impact the amount of cash in circulation. Further, if the RBI introduces a digital currency in the future, it may also impact the amount of cash in circulation.

In the event such government initiatives take effect and achieve what they set out to accomplish, there is a shift in consumer trends in India with respect to the use of cashless payment methods or there is a decline in the use of cash as a mode of payment for any other reason, there may, for example, be a reduction in the amount of cash in circulation, less need for cash to be transported and a decrease in the number of ATMs deployed or in service generally or with respect to particular locations or markets, which could result in our customers having less need for our cash management services and our managed services. It could also result in a decline in the use of cash as a mode of payment in India. This would also adversely affect our future plans and strategies and our Brown Label ATMs business, which is largely linked to the number of transactions at ATMs managed by us. Any such development would have an adverse effect on our business, decrease the demand for our cash management services, our results of operations, cash flows and financial condition.

3. Our business is highly dependent on the banking sector in India and any adverse development with respect to Indian banks that adversely affects their utilisation of and demand for cash management services or their deployment or utilisation of ATMs could have an adverse effect on our business, results of operations, cash flows and financial condition.

Our cash management services, which accounted for 77.70%, 70.68%, 68.61% and 66.74% of our total revenue from operations for Fiscal Years 2019, 2020 and 2021 and the five months ended August 31, 2021, respectively, are ultimately utilized by banks, while most of the customers of our managed services, which accounted for 17.21%, 26.19%, 27.88% and 30.64% of our total revenue from operations for Fiscal Years 2019, 2020 and 2021 and the five months ended August 31, 2021, respectively, and of our cards business are banks. As a result, our business is both directly and indirectly highly dependent on the banking sector in India. The ability of banks to make expenditures on cash management services, offer cash management services to their retail business customers, continue to outsource cash management services and expand their ATM networks depends on the performance of their own businesses, which can in turn be impacted by a number of factors, some of which are beyond their control, including changes in interest rates, the performance of the Indian economy, India's GDP growth, inflation, the RBI's monetary policies and GoI regulations, impact of COVID-19 on the Indian economy and the banking sector, domestic and international economic and political conditions, increased default and non-payment rates by customers and any financial difficulties they may have in relation to their commercial soundness due to their close credit, trading, clearing or other relationships they have with other financial institutions in India. For example, increased default and non-payment rates by customers and any financial difficulties they may have in servicing their obligations to the banks can impact the financial performance and, depending on the extent to which the bank's customers default or fail to comply with their service requirements, can impact the commercial soundness of the bank, which may negatively impact the bank's operations, and the amount of customers it services, which can decrease the bank's demand for our services. The ability of banks to sustain their financial performance and execute their growth strategies in light of these factors depends on, among other things, their ability to manage their expenditures, including with respect to cash management and their ATM networks. In addition, banks in India are consolidating and merging and certain public sector banks are going through privatization processes, which could result in a rationalization of their ATM networks and result in a decrease in the number of ATMs they use, which could adversely impact the number of ATMs that we provide services for.

Any adverse developments that impact the businesses of banks could result in banks postponing or cancelling any planned expenditures with respect to ATM cash management services they outsource to MSPs, retail cash management services they provide or their ATM networks, which in turn could result in decreased demand for our services. It could also result in increased competition for cash management and managed services mandates and increased pricing pressure for the services we provide. Further, banks could decide not to replace ATMs that are coming to the end of their useful life and could instead decide to shut down such ATM sites, or banks could decide to, or implement strategies or other risk management policies which require them to, distribute their outsourcing requirements to a broader range of third-party service providers, or to redistribute certain cash management service requirements between their existing third-party service providers or to different third-party service providers, which could adversely affect their demand for our services.

Banks could also decide to develop their own cash management and managed services platforms to save on third-party costs, reducing the amount of those services that they outsource to third-party suppliers, such as MSPs and companies like us, or develop unified procurement platforms, which would enable them to negotiate with us as a single customer with increased market power. As a result, there can be no assurance that banks will continue to outsource their cash management and managed services to the same extent or on the same terms they do now or at all. Our top five customers, which are either banks or provide services that are ultimately utilized by banks, contributed 48.25%, 55.79%, 55.73% and 57.01%, respectively, of our total revenue from our operations in Fiscal Years 2019, 2020, 2021 and the five months ended 31 August 2021, respectively. The validity of our contracts with our top five customers may vary depending on the nature of the service being offered. Most of our cash management services contracts with our top five customers are for terms of one to five years, which typically are renewed for a mutually agreed term based on bilateral discussions between us and our customers, while most of our managed services contracts with our top five customers are for terms of five to seven years, which normally come with an option for the banks to extend up to three years until ATMs are no longer fit for purpose, at which point the contract expires. In addition, our top five customers may terminate our contracts with them based on specific notice periods agreed in our contracts with them, such as by providing 30 days written notice on the occurrence of our failure to perform our obligations under the contract in a timely manner or on the occurrence of other termination events or immediately upon the Company's breach or default under the relevant contract. Any adverse development with respect to the banking sector or the demand for the services that we provide directly or indirectly to the banking sector, or the ability of any particular bank to outsource cash management activities, either as a result of regulatory or other developments, could have a material adverse effect on our business, results of operations, cash flows and financial condition.

In addition, banks may perceive our position as a leading cash management services company in India as a potential concentration risk to their business and operations, and may decide to, or implement strategies or other risk management policies which require them to reduce or limit the amount of cash management services they purchase from us, and may also require them to distribute those services to other market participants or our competitors, which could have a material adverse effect on our business, results of operations, cash flows and financial condition.

4. Our business and operations have been and may continue to be materially and adversely affected by the COVID-19 pandemic.

The COVID-19 pandemic has created unique global and industry-wide challenges, including challenges to many aspects of our business. The COVID-19 pandemic has resulted in quarantines, travel restrictions, limitations on social or public gatherings, and the temporary closure of business venues and facilities across the world, including India. There have been multiple waves of infections that have impacted certain countries, with India most recently experiencing a second wave of infections that has significantly increased the number of persons impacted by COVID-19. In particular, in April and May 2021, there was a significant resurgence in the daily number of new COVID-19 cases and resulting deaths and the GoI and state governments in India have reimposed lockdowns and other more restrictive measures in an effort to stop the resurgence of new infections. These all contributed to negative economic impact on the India economy and consequently our business and operations; for example, India recorded negative GDP in Fiscal Year 2021, and the second wave of infections also adversely impacted the growth outlook for Fiscal Year 2022.

The demand for our services and the services of our customers has been significantly impacted as a result of COVID-19. Our Company as a frontline business is exposed to lockdowns, economic disruptions and loss of lives for our employees and third-party personnel. While India is accelerating its vaccination drive, further waves of new COVID-19 cases are still possible. The longer-term trajectory of the COVID-19 pandemic and the effects of mutations in the virus, both in terms of scope and intensity of the pandemic, together with their impact on our industry and the broader economy are still difficult to assess or predict and pose ongoing and significant uncertainties that will be difficult to quantify. If the situation worsens in India, or if there is not a material recovery in the Indian economy, our business, results of operations and financial condition could be materially and adversely affected.

The reduced economic activity in India that has resulted from the COVID-19 crisis and, in particular, the lockdowns and other restrictive measures that have been imposed by the GoI and state governments in India has adversely impacted our business activities. In particular, in Fiscal Year 2021 compared to Fiscal Year 2020 this resulted in a decrease in revenue from our cash management services segment, which was offset in part by our increased focus on productivity and efficiencies within the business in response to COVID-19, as well as a decrease in revenue from our Brown Label ATM customers (other than SBI) and a decrease in revenue from our cards personalization business, in particular in the months from April to June 2020, due to the COVID-19 crisis. In addition, most of the costs that we incur to run our business is fixed and cannot be scaled down quickly. In Fiscal Year 2021 compared to Fiscal Year 2020, our change in inventories increased in part due to a delay in customer confirmations of installations due to the COVID-19 crisis. In addition, working capital adjustments to net cash flows from operating activities in Fiscal Year 2020, which included an increase in trade payables and other liabilities primarily in relation to receivables and trade payables that were higher towards the end of March 2020 due to COVID-19 induced lockdowns and related restrictions which delayed customer collections and vendor payments. Our employee benefit expense and our other expenses decreased in Fiscal Year 2021 compared to Fiscal Year 2020 primarily due to decrease in the number of average employees during the year and a decrease in service and security charges due to reduced hiring of third party service providers and third-party security service providers, respectively, as a result of activity reduction due to the COVID-19 pandemic. In addition, we experienced other decreases in conveyance and travelling expenses due to travel restrictions implemented as a result of the COVID-19 pandemic and a decrease in vehicle maintenance, hire and fuel costs in relation to our cash vans due to reduction in activities driven by COVID-19, as well as a decrease in cash disposal charges in relation to a decrease in expenses due to a corresponding decrease in cash management revenue due to the COVID-19 crisis in Fiscal Year 2021. For details in relation to the impact of COVID-19 on our results of operations, see "*Management Discussion and Analysis of Financial Condition and Results of Operations*" on page 290.

To the extent that the COVID-19 pandemic worsens or there are further waves of the virus of the future, we could suffer additional losses, which could adversely affect our business and profitability. For example, further lockdowns or regulatory restrictions due to COVID-19 in the future could disrupt or cause a decline in our cash management business, cause decline in transactions at our Brown Label ATMs, where we have deployed capital and we may not be able to recoup our investments in those ATMs. In addition, banks could delay new orders for ATM product sales and deployments, banking automation products, Brown Label ATMs, as well as managed services and other services that we provide to them as a result of future waves of the COVID-19 virus and we may also not be able to carry out certain contracts due to future lockdowns or other restrictions, which could have a material adverse effect on our business, results of operations and financial condition.

5. Our business has significant expenses in relation to employee benefits and cash vans and transportation. Any material increase in any of these expenses could affect our ability to competitively price our services, maintain or increase our profitability and results of operations.

For Fiscal Years 2019, 2020 and 2021 and the five months ended August 31, 2021, as a percentage of our total expense, employee benefits expense accounted for 21.15%, 18.38%, 18.59% and 17.53%, respectively, and vehicle maintenance, hire and fuel cost accounted for 12.60%, 10.92%, 10.30% and 11.24%, respectively. As of March 31, 2019, 2020 and 2021 and August 31, 2021, we had 8,407, 8,031, 6,943 and 7,447 employees, respectively, and our fleet comprised 3,840, 4,395, 3,911 and 3,965 cash vans, respectively. As a result, our employee benefit expense, vehicle maintenance, hire and fuel costs, comprised a significant portion of our expenses for Fiscal Year 2021 and the five months ended August 31, 2021. Our performance, and in particular our margins, depends on our ability to deliver high quality services to our customers at low cost.

For Fiscal Years 2019, 2020 and 2021 and the five months ended August 31, 2021, we incurred ₹2,134.78 million, ₹2,193.53 million, ₹2,015.84 million and ₹904.93 million, respectively, or 18.63%, 15.86%, 15.43% and 14.45%, respectively, of our total revenue from operations, for employee benefit expense. The salaries and wages of our employees are subject to wage inflation and other macroeconomic factors, which historically have caused salaries and wages of our employees to increase and we expect will continue to cause salaries and wages to increase in the future. In addition, the salaries, wages and other benefits of our employees are regulated by government laws and regulations, which can change from time to time. The state governments revise the minimum wage rates for different scheduled employments on a regular basis, typically every six months, and the GoI is currently considering a change in the regime pertaining to the minimum wage for workers across all sectors, which could impact the salaries, wages and bonuses we pay to our workforce. The union cabinet of the GoI has approved the Code on Wages Bill 2019, which was passed by both houses of the Parliament and assented to by the President of India in 2019. The GoI has already brought into force the provisions relating to the Central Advisory Board on minimum wages under the Code on Wages, 2019 ("**Wages Code**"), and the remaining provisions will be implemented as and when notified in the Official Gazette by the GoI. The Wages Code seeks to integrate and replace the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Wages Code, among other things, gives power to the appropriate government to fix minimum rates of wages payable to all workers in the country and governs the time and manner by / in which wages are paid across all establishments. Additionally, the GoI shall fix a 'floor wage' taking into account the minimum living standards of a worker, and there may be different floor wages for different geographical areas. The respective state governments would be required to at least match such 'floor wage'. Accordingly, there may be an increase in our employee benefit expense in respect of our employees and service and security charges payable by us in respect of personnel provided to us by our third-party service providers and third-party security service providers. While we endeavour to pass these increases in employee benefit expense on through increases in the pricing of our services and products, there can be no assurance that we will be able to do so in a timely manner or at all.

In addition, as of August 31, 2021, approximately 18.18% of our employees and personnel provided to us by our third-party service providers and third-party security service providers were unionized and covered by collective bargaining agreements. For these employees and personnel, we typically negotiate wages and benefits through our negotiations with trade unions under long-term collective bargaining agreements, which typically includes agreed wage increases over a three-year period. We encourage worker participation and training programs, which are regularly organized, and also have policies with respect to resolving labour disputes, which includes constituting grievance handling commissions. If appropriate, we also refer disputes to the relevant labour or industrial court in accordance with the Industrial Dispute Act, 1947. However, there can be no assurance that any future long-term settlement agreements will be on terms that are favourable to our Company, or more favourable to our Company than its current long-term settlement agreements or that our labour unions will comply with the terms of any long-term settlement agreements reached, even in circumstances where we comply with our obligations under the relevant long-term settlement agreement. Further, if our relationships with our employees or unions deteriorate, we may experience significant labour unrest, strikes, lockouts or other labour action and work stoppages, which can increase our labour costs and adversely affect our business, results of operations, cash flow and financial condition. In Fiscal Years 2019, 2020, 2021 and in the five months ended August 31, 2021, we experienced 17, 18, 19 and one, respectively, strikes or work stoppages by employees and personnel provided to us by our third-party service providers and third-party security service providers during the course of our business operations in relation to union disputes, as well as various levels of labour unrest and employee agitation. These strikes and labour unrest and employee agitation did not have a material financial impact on our business. In 2020 our Company filed a civil suit against Calcutta Trade Unions for impeding business activities of the Company by not providing access to employees of the Company and customers. While the High Court has granted our interlocutory application and currently access is allowed to us, we cannot assure you that a similar incident will not happen again in the future. If we are unable to pass on any or all costs and expenses that may arise with respect to our employees and third-party service providers and third-party security service providers to our customers in a timely manner, our total expenses could increase significantly, reducing our overall profitability.

We also rely heavily on our fleet of cash vans to provide our services to our customers. For Fiscal Years 2019, 2020 and 2021 and the five months ended August 31, 2021, we incurred ₹1,271.38 million, ₹1,303.13 million, ₹1,116.84 million and ₹580.32 million, respectively, or 11.09%, 9.42%, 8.55% and 9.27%, respectively, of our total revenue from operations, for costs associated with vehicle maintenance, hire and fuel costs for cash vans. Our cash van expenses primarily include fuel costs and cash van hire charges, each of which are subject to external macroeconomic pressures over which we do not have control, including the price of fuel, which is linked with international crude oil prices and has fluctuated in recent years and may continue to fluctuate in the future, and government policies, such as in respect of the age of commercial vans that may be used in commercial operations. Further, RBI operating standards or any future regulatory changes, including around useful life of cash vans and emissions norms could result in increase in operating cost, as well as, requirement to invest capital to purchase new cash vans. In addition, we may purchase and/or lease cash vans with debt financing from third-party financial institutions, the terms of which are subject to negotiation with the financial institutions, and generally include interest payable on the borrowed amount. Any increases in interest rates will increase the cost of our borrowings where we have not fixed the interest rate. We cannot be certain that we will be able to secure financing on favourable terms, or at all, in respect of any cash van acquisition costs, or that the interest rates applicable to any such financing will not increase. Any decrease in our ability to obtain third-party debt financing for our business, or any increase to interest rates, can materially adversely affect our ability to expand our business and service our debt facilities. Any adverse developments with respect to costs and expenses associated with our fleet of cash vans could result in a material adverse effect on our business, results of operations, cash flows and financial condition.

6. We derive a substantial portion of our revenue from a limited number of customers. If one or more of our key customers were to suffer a deterioration in their business, cease doing business with us or substantially reduce its dealings with us, our revenues could decline, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

For Fiscal Years 2019, 2020 and 2021 and the five months ended August 31, 2021, our top three customers in terms of revenue contributed 31.93%, 42.33%, 42.36% and 44.59%, respectively, our top five customers in terms of revenue contributed 48.25%, 55.79%, 55.73% and 57.01%, respectively, and our top 10 customers in terms of revenue contributed 71.45%, 75.41%, 75.13% and 74.97%, respectively, in each case of our total revenue from our operations. Our largest customer is a public sector bank which contributed 10.07%, 23.45%, 17.90% and 18.78% in Fiscal Years 2019, 2020 and 2021, respectively.

Accordingly, a significant percentage of our future revenues will be dependent upon the successful continuation of our relationships with these customers.

Although there were no past instance of termination of arrangements with the Company's top 10 customers in Fiscal Year 2019, 2020, 2021 and the five months ended August 31, 2021, the loss of any of our key customers, due to our inability to renew our contracts with them or failure to secure a large order from them, or a decision by any one of them to reduce the services we provide to them would result in a decline in our revenues. Furthermore, if the financial condition of any of our key customers were to deteriorate in the future, or if one or more of our key customers were to close, reduce or consolidate their ATM and retail cash management networks, or choose not to undertake expansion plans, our revenues could be significantly affected. Further, we may fail to collect or recover any or all receivables from such customers for services already rendered by us.

Most of our key customer contracts are subject to annual pricing renegotiations, and may also be terminated by any party by notice without cause. Our key customers may also elect not to renew their contracts with us upon expiration or following negotiations with us. In addition, even if our customers renew their contracts with us, the renewal terms may be less favourable to us than our current contracts with them. If any of our key customers fail to renew their contract with us upon expiration, or if the renewal terms with any of them are less favourable to us than under our current contracts, it could result in a decline in our revenues from such customers, which may have an adverse effect on our business, results of operations, cash flows and financial condition. There can be no assurance that any of our key customers will renew their contracts with us upon expiration, or that any renewal terms will not be less favourable to us than our current contracts, and to the extent we are not able to renew our contracts with our key customers, there can also be no assurance that we will be able to find new customers of appropriate size or at all in the future to compensate for any key customers that we lose or that renew their contracts on less favourable terms.

7. Our business is exposed to operational risks for which we have incurred and expect to continue to incur risk costs and penalties. Any material increase in these costs could have an adverse effect on our business, results of operations and financial condition.

Given the large volumes of cash we handle and the large base of ATMs we manage, we are exposed to various operational risks, including armed robbery, end-customer or third-party fraud, theft, embezzlement or other criminal conduct by employees or personnel provided by our third-party service providers and third-party security service providers, obstruction by subcontractors from providing services, reporting errors, both deliberate and inadvertent, failure to collect or recover any or all receivables from customers for services already rendered by us, and failure to meet specific requirements (e.g., turn-around time for first-line maintenance or second-line maintenance calls, reporting within a specified time period, ATM uptime criteria, performance of remote monitoring equipment, etc.) under applicable service agreements for which we may incur penalty charges. Criminal attacks against our business can range from attacks by armed individuals at drop-off and pick-up points, in transit, or while cash is being carried outside of our cash vans or branches, which can result in the death or serious bodily harm to our employees, personnel provided to us by our third-party service providers and third-party security service providers or even bystanders, to third parties gaining access or being given access to our facilities, vaults or our ATM sites and taking cash.

To protect our operations and employees, we also procure security services from registered third-party security service providers. Further, we procure various services, such as drivers, custodians, back-office executives and cleaning personnel, from third-party service providers. In Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, we engaged 13,094, 15,143, 15,006 and 15,203 personnel (including consultants), respectively, from third-party service providers and third-party security service providers. The services and security charges accounted for 28.42%, 25.45%, 24.46% and 25.36% of our total expenses for Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, respectively. Cost management of these expenses is also an important driver of our profitability.

In addition, we may experience shortfalls in the amounts of cash in a given ATM compared to the switch balance, bank customer claims and breaches of service-level agreements. In such circumstances, the customer may deduct such amount or penalty from the aggregate fees paid to us for the services we provide and we therefore reduce these amounts from the amount of revenue we recognize. In Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, such deducted amounts accounted for 0.96%, 0.74%, 1.11% and 0.56% of our total income, respectively. Such instances may also lead to termination of our services by the customer, as well as initiation of proceedings against us. For example, in March 2021, a private sector bank and our Company initiated proceedings against each other, with the bank alleging that the Company had breached the terms of the agreement entered into between them because of cash embezzlement. For further details, see "*Outstanding Litigation and Material Developments – Litigation involving our Company – Civil Proceedings against our Company*" on page 321. We also account for cash lost in transit, which includes theft, robbery, misappropriation, infidelity and embezzlement by employees or personnel provided by our third-party service providers and third-party security service providers in the course of replenishing ATMs or during transport. Cash lost in transit for Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021 was ₹47.76 million, ₹23.97 million, ₹75.32 million and ₹27.02 million, respectively, or 0.41%, 0.17%, 0.57% and 0.43%, respectively, of our total income. We also made impairment allowances for trade receivables of ₹235.55 million, ₹133.60 million, ₹206.00 million and ₹287.00 million, or 2.03%, 0.96%, 1.56% and 4.56% of our total income, in Fiscal Years 2019, 2020 and 2021 and the five months ended August 31, 2021, respectively, and additionally trade receivables written off (net) of ₹50.32 million, ₹387.48 million, ₹222.78 million and ₹3.33 million, or 0.43%, 2.79%, 1.69% and 0.05% of our total income, in Fiscal Years 2019, 2020 and 2021 and the five months ended August 31, 2021, respectively, as a result of customer deductions from the fees paid to us for our services due to failure to meet requirements under applicable service agreements, cash shortages and bank's customer claims. Further, we had impairment allowance for doubtful insurance claims of ₹14.01 million, ₹33.76 million, nil and ₹4.33 million, or 0.12%, 0.24%, 0.00% and 0.07% of our total income, in Fiscal Years 2019, 2020 and 2021 and the five months ended August 31, 2021, respectively, due to the lead time of insurance approvals. To the extent the security measures we implement are not sufficient to protect our business and our employees and the personnel provided to us by our third-party service providers, we may need to substantially increase the amount we spend on procuring security services and implementing other security measures, which could negatively affect our margins. In addition, we cannot assure you that such risk costs will not increase in the future, in which event our business, results of operations, cash flows and financial condition may be adversely affected.

8. We are exposed to various security risks that may originate from within our Company, which could have an adverse effect on our reputation, business, results of operations and financial condition.

By virtue of the nature of our industry and being in the business of handling large volumes of cash, we are exposed to various security risks and crimes that may originate from within our Company, such as cash-in-transit losses, reporting errors (both deliberate and inadvertent) and theft, embezzlement, fraud and other forms of malpractice by our employees and personnel provided to us by our third-party service providers and third-party security service providers. According to the Restated Financial Statements, in Fiscal Years 2019, 2020 and 2021, there were 13, six and seven, respectively, instances of cash embezzlement by our employees or personnel provided to us by our third-party service providers and third-party security service providers involving an aggregate amount of ₹113.51 million, ₹74.56 million and ₹74.84 million, respectively, and two, five and one, respectively, instances of cash embezzlement done by employees of one of our Company's subsidiaries wherein the total amount involved was ₹13.42 million, ₹96.13 million and ₹3.52 million, respectively. Further, other instances of cash embezzlement by our employees and personnel provided to us by our third-party service providers and third-party security service providers, may not be detected. As a result, our operations depend substantially on the integrity of our employees and personnel provided to us by our third-party service providers and third-party security service providers, and the reliability and effectiveness of our internal controls and procedures. In the course of our screening and background check process when hiring personnel, we may be supplied with false or incomplete background information, or information which may be difficult for us and others to verify. These circumstances increase our exposure to security risks that may originate from our employees and personnel provided to us by our third-party service providers. We have in the past filed criminal complaints in relation to allegations of misappropriation of cash and theft of money by our employees and personnel provided to us by our third-party service providers and third-party security service providers. For further details, see "*Outstanding Litigations and Material Developments*" on page 320.

Our employees and personnel provided to us by our third-party service providers and third-party security service providers may introduce counterfeit currency into ATMs serviced, operated or managed by us or otherwise siphon off cash from such ATMs or currency deliveries. Banks and MSPs undertake reconciliation processes and raise queries to us as part of their own risk management processes, whereby we facilitate the reconciliation undertaken by the Bank and MSP and also undertake a detailed analysis, investigation and resolution of any discrepancies arising from the process that are reported to us. In addition, we have developed internal structures, processes, policies and guidelines to manage operational risks and to minimise losses to our customers and us, which include reviewing and developing processes for managing both operational and financial risks; operational process controls; auditing procedures; internal communications with respect to risk at all levels of our management and maintaining related insurance policies. For further details, see "*Our Business- Risk Management*" on page 167. However, our internal controls and risk management processes may not be sufficient to detect any shortfalls in cash immediately, in particular where the parties responsible for the shortfall utilises counterfeit or methods of fraud. Further, we are dependent on timely and accurate reconciliation by MSPs and banks to complete the process, which could affect our ability to promptly detect any shortfalls in cash, and certain cash shortfalls and introduction of counterfeit currency can only be detected by an internal audit of the ATM at a later date. In such cases, the amounts of cash being stolen can accumulate each time the ATM is replenished unless detected. In addition, the longer a shortfall goes undetected, the lower our ability to detect the shortfall, further limiting our ability to take remedial and investigative action to protect ourselves and our customers from any losses that may arise from such activity. The RBI in 2019 introduced requirement for reconciliation to be completed within three days from the transaction taking place. To the extent that it is not possible for us to recover a shortfall in cash, including from the responsible person or persons, our reputation, business, results of operations, cash flows and financial condition could be adversely affected. Further, any delay in identifying any misappropriation may reduce our ability to recover the missing cash and result in our incurrence of additional expenses in connection with associated legal proceedings. We typically have contractual obligations with our customers and other third parties and, subject to certain conditions, are ultimately liable for the reimbursement or replenishment of any shortfall however caused. Such liability is ordinarily required to be satisfied as soon as reasonably practicable after detection, and in most cases within one month of detection. Our liability to reimburse or replenish the amount of the shortfall may be deducted from any payments that the customer or third-party may have otherwise been required to pay to us. In addition, to the extent we are not able to recover the shortfall or we are required to reimburse or replenish the shortfall, the scope of our insurance coverage may not be sufficient to cover the resulting liability, there may be a delay in the settlement of any claim to our insurance providers and, to the extent our insurance coverage does cover the liability, our cost of future insurance coverage could increase significantly, which in either case could have an adverse effect on our reputation, business, results of operations, cash flows and financial condition.

9. Our business is subject to the risk of criminal attacks of various types by third parties, including armed robbery, theft and fraud.

By virtue of the nature of our industry and handling large volumes of cash, we are exposed to various security risks and crimes including armed robbery, theft, fraud, embezzlement and other forms of illegal conduct. As a result, our operations, our employees and the personnel provided to us by our third-party service providers and third-party security service providers are exposed to the risk of criminal attacks of various types by third parties.

Criminal attacks against our business can range from attacks by armed individuals at drop-off and pick-up points, in transit, or while cash is being carried outside of our cash vans or branches, which can result in the death or serious bodily harm to our employees, personnel provided to us by our third-party service providers and third-party security service providers or even bystanders, to third parties gaining access or being given access to our facilities, vaults or our ATM sites and taking cash. The guns used by our third-party security service providers could be stolen during criminal attacks and misused. Criminal attacks against our business may also involve cyber-attacks against our information technology systems, including our enterprise resource planning system and our operations software modules, which could result in, among other things, significant disruption of our operations. To protect our operations and employees, we procure security services from registered third-party security service providers, who are subject to certain requirements and standards stipulated by the Ministry of Home Affairs and the relevant state governments from time to time. To the extent the security measures we procure are not sufficient to protect our business and our employees and the personnel provided to us by our third-party service providers, we may need to substantially increase the amount we spend on procuring security services and implementing other security measures, which could negatively affect our margins.

In addition, to the extent criminal attacks by third parties result in liabilities that we are in whole or part responsible for, including loss of cash, injuries or fatalities that occur as a result of the criminal attacks, the scope of our insurance coverage may not be sufficient to cover the resulting liability or, to the extent our insurance coverage does cover the liability, our cost of future insurance coverage could increase significantly, which in either case could have an adverse effect on our reputation, business, results of operations, cash flows and financial condition. In addition, any such attacks may reduce our customers' confidence in our services and result in negative publicity even though we may not be at fault for the attack.

10. We operate in highly competitive markets and may be unable to respond effectively to developments in those markets.

We face competition and pricing pressures from competitors using similar pricing models in the markets in which we operate. While our industry has consolidated over the years, it still has a number of industry participants, and is subject to competition, including in respect of pricing of services. We have experienced periods of increased competition from our competitors and other players in the market attempting to increase their market share. Further, MSPs have in the past and may in the future build in-house cash management business divisions to serve their captive demand, thereby increasing the competitive intensity of the industry. The industry in which we operate is undergoing a maturing and consolidation process driven primarily by the RBI operating standards and customer preference to work with large and reliable service providers, resulting in consolidation among existing industry participants as well as among customers. As this process continues, some of our competitors may consolidate or merge with large domestic or international competitors with more resources than us, which could further increase the competition we face to sell our services. To the extent that our competitors utilise those resources or other means to introduce new services or utilise improved technologies to gain further efficiencies, it may be more difficult for us to sell our services and compete effectively, which could result in us losing business or customers to competitors. Similarly, consolidation among our customer and potential customers may significantly increase their negotiation power and ability to require terms of service that are more favourable to them, including in respect of price. Any of these developments could result in further competition for cash management and managed services opportunities under increased pricing pressures. In order to be able to compete under these circumstances, we might be required to implement costly restructurings or capital investments or reduce our prices, which may reduce our margins, and we cannot assure you that we will have the resources to undertake such measures, or that any such measures will be successful. If our market share decreases, or our customers move their business to our competitors, as a result of market developments, our business, financial condition and results of operations could be adversely affected.

11. Our business has significant expenses in relation to services procured from third parties. Any material increase in any of these expenses could affect our ability to competitively price our services, maintain or increase our profitability and results of operations.

For Fiscal Years 2019, 2020 and 2021 and the five months ended August 31, 2021, as a percentage of our total expense, service and security charges accounted for 28.42%, 25.45%, 24.46% and 25.36%, respectively, and we engaged 13,094, 15,143, 15,006 and 15,203 personnel (including consultants), respectively, provided to us by third-party service providers and third-party security service providers. As a result, our service and security charges comprised a significant portion of our expenses for Fiscal Year 2021 and the five months ended August 31, 2021. Our performance, and in particular our margins, depend on our ability to deliver high quality services to our customers at low cost. For Fiscal Years 2019, 2020 and 2021 and the five months ended August 31, 2021, we incurred ₹2,868.83 million, ₹3,036.58 million, ₹2,651.89 million and ₹1,309.37 million, respectively, or 25.03%, 21.95%, 20.30% and 20.91%, respectively, of our total revenue from operations, for service and security charges.

We procure various services from third-party service providers, including providers of service personnel, such as drivers, custodians, back-office executives and cleaning personnel. In addition, to protect our operations and employees, we also procure security services from registered third-party security service providers. Our costs associated with personnel provided by our third-party service providers and third-party security service providers are primarily driven by the fees that these third-party service providers charge us, which may be impacted by similar pricing pressures that we face with respect to our own employees, such as demand and supply of labour in any particular region, wage inflation and other macroeconomic factors, regulatory increases in the minimum wage and subsequent pricing demands by third-party service providers or other factors. In addition, our service and security charges are also impacted by input costs that these service providers are required to bear, such as increases in minimum wages, which have recently been increasing. Further, any regulatory changes such as the MHA Gazette in 2018 which laid down model rules that regulate outsourcing of security services by cash transportation companies could result in an increase in cost of our third-party service providers and third-party security service providers. If we are unable to promptly pass on any increase in the costs that we pay to our third-party service providers for the services we procure from them, our margins, profitability and results of operations may be adversely affected. Further, if we are not able to procure the services provided to us by our third-party service providers in a timely manner, our operations might be adversely affected, which could impact our profitability and results of operations.

The service and security costs charged by our third-party service providers and third-party security service providers are subject to wage inflation and other macroeconomic factors that can cause the service and security costs charged by these third-party service providers to increase. In addition, the service and security costs charged by our third-party service providers and third-party security service providers are regulated by government laws and regulations, which can change from time to time. The state governments have increased the minimum wage on a number of occasions in the past and the GoI is currently considering the Code on Wages, 2019 ("**Wages Code**"), which, if notified, may increase the minimum wage for workers across all sectors, which could impact the salaries, wages and bonuses we pay our workforce. If the relationships between third-party service providers and the personnel we procure through such third-party service providers and third-party security service providers or their unions deteriorate, we may experience significant labour unrest, strikes, lockouts or other labour action and work stoppages, which can increase our labour costs and adversely affect our business, results of operations, cash flow and financial condition. For details in relation to strikes, labour unrest and agitation, and labour disputes in relation to personnel provided to us by our third-party service providers and third-party security service providers, see "*Risk Factors- 5. Our business has significant expenses in relation to employee benefits and cash vans and transportation. Any material increase in any of these expenses could affect our ability to competitively price our services, maintain or increase our profitability and results of operations*" on page 28. If we are unable to pass on any or all costs and expenses that may arise with respect to our service and security costs charged by our third-party service providers and third-party security service providers to our customers in a timely manner, our total expenses could increase significantly, reducing our overall profitability.

We are also dependent on our suppliers for our managed services segment, particularly for banking automation sales and maintenance, Brown Label ATM business and remote monitoring business. In these services lines, we are required to procure ATMs, cash recyclers, cameras, sensors and associated spare parts. In particular, we have a long-standing partnership with Hyosung TNS Inc., which accounted for 86.13% and 82.67% of our total trade purchases in Fiscal Year 2021 and the five months ended August 31, 2021. Our inability to continue these relationships or any disruptions to operations of these suppliers could impact our business.

12. We face difficulties and incur additional expenses in operating in certain regions in India where infrastructure may be limited.

We provide our services to our customers in a number of difficult to reach and remote rural and semi-urban areas, such as the India-Pakistan and India-China border regions, villages in remote regions in the Himalayas and the Andaman and Nicobar Islands, some of which are only accessible by boat. These difficult to reach areas accounted for less than 5.0% of our total business points and less than 5.0% of our total revenue from operations in Fiscal Year 2021. However, to the extent we decide to further expand our network or increase the amount of services we provide in these areas, we may incur additional costs and encounter additional obstacles in operating in those markets due to the limited or unreliable infrastructure, particularly with respect to procuring adequate security measures and enhancing information technology systems, as well as having access to adequate road transportation and utilities, such as electricity. There can be no assurance that offering or providing services in such regions is, will remain, or will be profitable or advantageous to our operations, or that there will be constant or increasing demand for our services in such regions, or that any opportunities we currently perceive in such in such regions will develop or be realised by us. The costs of providing services in remote regions, which can be high, may exceed the potential revenues that may be earned from offering services in those regions, particularly if migration from rural areas to urban areas continues or increases. In addition, by directing resources to offering services in such regions, we may not be able to direct sufficient resources to other, more profitable or strategically beneficial business opportunities, such as in urban areas. To the extent we are required to incur more costs and expenses than originally envisioned or are unable to expand our network or increase the amount of services we provide in these areas in the manner we desire, our margins decrease, or there are unanticipated difficulties in hiring appropriately trained or suitable personnel in the region or servicing customer requirements in the region, our business, results of operations, cash flows and financial condition could be adversely affected.

13. Our Promoter will continue to be our largest shareholder and will have the right to approve certain corporate actions, which may potentially involve conflicts of interest with our equity shareholders.

Following the completion of the Offer, our Promoter will continue to hold more than 51.00% of our outstanding Equity Shares, and therefore will have the ability to significantly influence our operations. Our Promoter will also have significant influence on actions at Board and at shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum and Articles of Association, and any assignment or transfer of our interest in any of our properties. Further, our Promoter currently has the right to nominate two directors on our Board and will continue to exercise such right, subject to receipt of approval from our shareholders by way of special resolution after the listing of our Equity Shares. We cannot assure you that our Promoter will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business. However, our Promoter shall abide by the provisions of SEBI Listing Regulations, as applicable for our Company, upon listing of the Equity Shares pursuant to the Offer.

Further, our Promoter being part of a private equity group, is continuously exploring opportunities in the domestic and global markets to make investments and explore ways in which it can leverage its existing networks, expertise and investment experience to expand its portfolios through potential new acquisitions and optimize its investment value. Further to this objective, Baring Private Equity Asia and the Promoter may evaluate investment opportunities in future, some of which could be in a similar line of business. Further, Baring Private Equity Asia and the Promoter may cause potential combinations or collaborations to create synergies between our Company and other portfolio companies, in compliance with applicable regulatory requirements. We cannot assure you that any such actions by Baring Private Equity Asia and our Promoter will be beneficial for our Company or will not conflict with our interests or interest of other shareholders.

In addition, our Promoter may, after the expiry of any lock up periods in respect of any of their Equity Shares, divest all or part of its stake in our Company after completion of the Offer, or may cease to hold a controlling stake in our Company. In such circumstances, our Company may not continue to be managed and operated in accordance with current management or operations, and we will not have the benefit of our Promoter's industry expertise and business acumen, which may have an adverse effect on our operations, profitability, and results of operations.

14. ***Our Promoter has availed a US$60 million offshore loan facility dated August 14, 2017 ("Facility") and the holding company of our Promoter has pledged all of its shareholding in our Promoter as security. The Facility also imposes certain obligations on our Promoter that are based on compliance of our Company with certain financial and operational parameters, and our Promoter is required to ensure our compliance with those parameters. A default by our Promoter of any such obligations may result in an invocation of the relevant pledges on our Promoter's shares, which subsequent to the Offer, could cause an indirect change in control of our Company and trigger an open offer requirement under the Takeover Regulations.***

Our Promoter has availed a US$60 million Facility on August 14, 2017 for purposes of partial return of invested capital and as a security for the Facility, the holding company of our Promoter has pledged all of its shareholding in our Promoter and all the preference shares issued by our Promoter ("**Pledged Shares**") with the lending banks under the Facility through security agreements. Further, the holding company of our Promoter has issued irrevocable powers of attorney in favour of the security agent for sale of the Pledged Shares in case of an event of default under the Facility. Additionally, as per the terms of the relevant security agreements, the holding company of our Promoter has agreed not to dispose its shareholding in our Promoter. The Facility imposes a number of obligations and restrictions on our Promoter that are based in part on compliance of our Company with certain financial and operational parameters, and our Promoter is required to ensure our compliance with those parameters. Some of these obligations and restrictions on our Promoter include the following:

- obligation to hold 50.1% of our Equity Shares and direct control of our Company;
- obligation to impose limitations on certain corporate actions by us including, acquisitions, investments, joint ventures, disposals, creation of encumbrance, incurring financial indebtedness and issuance of Equity Shares;
- obligation to limit changes in the general nature of the business of our Company;
- application of proceeds resulting from disposal of Equity Shares; and
- obligation to ensure compliance with certain other covenants which are in the nature of compliance with financial and operational parameters.

These obligations and restrictions are legal obligations on our Promoter, which may indirectly limit the financial and operational flexibilities of our Company. The Promoter is required to pay accrued interest based on loans utilised under the Facility at a determined percentage rate every one, three or six months based on when the Facility is utilised, as well as certain arrangement and other fees under the Facility. In addition, the Facility is due for repayment in August 2022, and there will be associated repayment and refinancing risks at that time. Our Promoter intends to repay the Facility from its internal accruals or sale of investments or through refinancing of the facility, as may be most commercially viable at the time. In the event our Promoter is unable to comply with, or ensure compliance with, such covenants, the lending bank has the right to invoke the pledges under the security agreements, which would result in a transfer of the Pledged Shares to the lending bank and, in case of an event of default, the security agent can sell the Pledged Shares to a third party. Invocation of the pledges on the Pledged Shares or sale of Pledged Shares subsequent to the Offer may result in indirect change in control of our Company and the acquirer having to make an open offer for the Equity Shares, in accordance with the Takeover Regulations, which could adversely affect the trading price of our Equity Shares.

15. We might be required to incur significant capital and operating costs to meet certain operating standards in accordance with the RBI operation standards introduced in April 2018.

The RBI introduced certain operating standards in April 2018, which impose responsibilities on banks to ensure cash management companies to meet certain operating standards. To comply with the standards cash management companies in India, have been required to make significant operational changes, such as having minimum fleet sizes of 300 specifically fabricated cash vans that are GPS and CCTV enabled with tubeless tyres and mobile communications and with vaults that have to be fully equipped with fire safety gadgets and emergency and burglary alarms and accompanied at all times by armed guards, among other operational precautions, which have required significant capital and operating expenditure. We have negotiated certain price escalations for both ATM and retail cash management points to meet these operating standards. As of August 31, 2021, we have ATM and retail cash management points that are serviced through routes compliant with the new operating standards, and as of August 31, 2021, there were no instances of non-compliance with the RBI operating standards for these ATM and retail cash management points. However, there can be no assurance this will continue to be the case in the future, and we expect the compliant route numbers to increase going forward, which would require our Company to incur further capital expenditures and higher operating expenses to operate routes on a compliant basis. If a customer, whether a bank or MSP, engages us and pays us on a compliant basis and we fail to deliver the service in compliance with these operating standards, the customer could penalize us or discontinue the contract. In addition, certain aspects of these RBI operating standards have been challenged by certain smaller cash-in-transit companies in relation to their cash-in-transit businesses before courts in India. If these courts rule that that the RBI should, or if the RBI otherwise decided to, withdraw or ease such operating standards, there can be no guarantee that we will be able to recover the capital or operational expenditures incurred or other relevant investment made in order to meet these RBI operating standards, and such expenditures incurred or investments made might no longer be necessary or commercially reasonable, or they may not yield the anticipated returns, which could in turn result in a material adverse effect on our business, results of operations, cash flows and financial condition.

16. The businesses of certain of our customers are regulated by the RBI and the GoI, and our business can be affected by the policies, decisions and frameworks of the RBI and the GoI that relate to those customers, as well as any changes to the existing laws and regulations or the introduction of any new laws, regulations or policies relating to their businesses or our business.

Our business is both directly and indirectly highly dependent on the banking sector in India, which is highly regulated by the RBI and the GoI. As a result, our business can be affected by the policies, decisions, and frameworks of the RBI and the GoI that relate to certain of our customers, as well as any changes to the existing laws and regulations or the introduction of any new laws, regulations or policies relating to their businesses. For example, banks that outsource their ATM operations to MSPs often pay on a per transaction basis to the MSP, which is in part dependent on the interchange fees that are charged by one bank for usage of another bank's debit, credit or prepaid cards on its ATM machines. Interchange fees are set by the National Payments Corporation of India ("**NPCI**"), an organisation established and regulated by the RBI, in consultation with the Indian Banking Association, and are subject to change at any time by the NPCI or the RBI. While the RBI recently increased the ATM interchange fees charged by banks for financial transactions from ₹15 per transaction to ₹17 per transaction in June 2021, there can be no guarantee that such fees will be increased again in the future or that that will not be decreased. If the interchange fees that may be charged by banks decrease, the transaction fees payable to MSPs could decrease, which would have a direct impact on the fees that MSPs are willing to pay us for the ATM cash management services we provide. Further, the RBI has, pursuant to its circulars dated November 3, 2006 and March 11, 2015, issued detailed guidelines in relation to code of conduct in the outsourcing of financial services by banks. Other RBI guidelines could also have material impact on our business and operations. For examples, the RBI guidelines on "Managing Risks and Code of Conduct in outsourcing of financial services by Banks" dated 3 November 2006, that was subsequently updated by circulars dated 3 March 2008, 11 December 2008, 22 April 2009, and 11 March 2015, directs the banks to ensure that the outsourcing or sub-contracting agreements in relation to financial and other ancillary services with third-party entities, such as our Company, are compliant with requirements set out by the RBI. These requirements include timely reconciliation of transactions, due diligence of service provider's employees, confidentiality of customer data, security and internal controls and audit coverages to be implemented by the service providers. These guidelines require that the outsourcing or sub-contracting agreements entered into by the banks must clearly identify the activities that would be outsourced, along with the appropriate performance standards.

Further, the RBI circular on "Cash Management activities of the banks – Standards for engaging the Service Provider and its sub-contractor" dated 6 April 2018 has imposed certain minimum standards which the banks must prescribe for their service providers or sub-contractors for cash management activities, which include, inter alia, the following:

(i) a minimum net worth requirement of ₹100,00,00,000 for all future outsourcing agreements, which shall be maintained at all times. In case of existing outsourcing agreements, the above minimum net worth requirement should have been met as on 31 March 2019 or at the time of renewal of the agreement, whichever is earlier, and maintained thereafter;

(ii) a minimum fleet size of 300 specifically fabricated (GPS enabled) cash vans, having separate passenger and cash compartments with a CCTV (with recording for at least 90 days) in both compartments;

(iii) every cash van shall accommodate, in addition to a driver, two custodians and two armed gunmen (with valid gun licenses);

(iv) all staff associated with cash handling shall be trained, and character / antecedent verification must be done meticulously;

(v) all cash movements shall be carried out only in the daylight, with some relaxation for areas with local police guidelines; and

(vi) vaults in the cash vans shall be equipped with all fire safety gadgets, along with other security systems like emergency and burglary alarms, hotline with the nearest police station, lighting power back-up and inter-locking vault entry door.

In addition to the above, the RBI circulars on "Cassette – Swaps in ATMs" dated April 12, 2018 and July 12, 2021 advise all banks to use lockable cassettes in their ATMs, which shall be used for cash replenishment instead of the counting and add cash methodology currently used, by cash management companies, such as our Company. The banks have been advised to implement this measure in a phased manned covering one-third of the ATMs operated by the banks every year, such that all ATMs achieve cassette swap by 31 March 2022. Furthermore, the RBI circular on 'Outsourcing of Cash Management – Reconciliation of Transactions' dated May 14, 2019 requires the banks to encourage its service providers, including us, to: (i) implement an efficient digital records management system for data retrieval and reconciliation; and (ii) create and maintain a database of employees, at industry level through a code of identification prescribed by the Controller of Certifying Authorities, to ensure that unblemished records are maintained. Any adverse change to these guidelines could require us to incur additional capital expenditures or impact banks' ability to outsource activities, which could have an adverse impact our business, financial conditions and results of operations, as well as our profitability.

On June 10, 2021, the RBI announced that given the increasing cost of ATM deployment and expenses towards ATM maintenance incurred by banks and white label ATM operators, and also considering the need to balance expectations of stakeholder entities and customer convenience, it has been decided that (i) the ATM interchange fee per ATM transaction will increase from ₹15 to ₹17 for financial transactions and from ₹5 to ₹6 for non-financial transactions, effective from August 1, 2021 and (ii) customers are eligible for five free transactions (inclusive of financial and non-financial transactions) every month from their own banks' ATMs, as well as three free transactions from other banks' ATMs in metro centres and five free transactions in non-metro centres. Any further rationalisation by the RBI in respect of the number of free ATM transactions available to customers or increase in fee for ATM transactions could reduce the aggregate number of ATM transactions conducted, which could cause a reduction in the fees payable by banks to MSPs. Any reduction in the fees payable to MSPs could have a direct impact on the fees that MSPs are willing to pay to us for our cash management services. In addition, on August 10, 2021, the RBI announced new regulations, which come into effect on October 1, 2021, for monitoring the availability of cash in ATMs that penalize banks ₹10,000 for each ATM with downtime due to non-replenishment of cash of more than ten hours in a month. For banks that engage MSPs, the bank, at its discretion, may pass on all or part of the penalty to the MSP, which in turn may pass it on to third-party cash management service providers to which they subcontract, such as us. Similarly, in our Brown Label ATM business in our managed services segment, we could be directly penalized by banks if we breach these downtime thresholds.

In recent years, we have scaled up our Brown Label ATM offerings and entered into the remote monitoring business. For our Brown Label ATMs, we are currently deploying remote monitoring in line with current regulatory guidelines. However, in the future, regulatory authorities can mandate replacing remote monitoring with physical security guards. This may result in increase in cost of operations for our Brown Label ATM business. Similarly, our remote monitoring business is also highly susceptible to any change in the regulatory stance on remote monitoring of ATMs. Any regulatory mandate on replacing remote monitoring with physical security can adversely impact our plans for this business and impact our overall revenue and profitability.

Other policies, decisions, and frameworks of the RBI and the GoI that do not directly relate to our business can also impact our business. Our managed services business, which includes the supply, installation, and maintenance of ATMs, has its origins in regulatory policies framed by the RBI. Pursuant to a circular dated June 12, 2009 and amended by a Master Circular issued by the RBI dated January 14, 2016, the RBI permitted certain commercial banks to open off-site ATMs without RBI approval, subject to certain conditions being met, and other limitations contained in the Master Circular issued by the RBI dated July 1, 2015. This significantly reduced the regulatory burden of opening off-site ATMs, which significantly increased demand for the supply, installation and maintenance of ATMs. Further, the RBI has in March 2019 relaxed the requirements in relation to the operation of White Label ATMs in the country, which allow the White Label ATM operators to (i) buy wholesale cash, above a threshold of 1 lakh pieces (and in multiples thereof) of any denomination, directly from the Reserve Bank (Issue Offices) and currency chests against full payment; (ii) source cash from any scheduled banks, including cooperative banks and regional rural banks; (iii) offer bill payment and interoperable cash deposit services, subject to technical feasibility and certification by National Payments Corporation of India; and (iv) display advertisements pertaining to non-financial products or services anywhere within the ATM sites. Any restrictive change or reversal of such policies, or any change restricting banks from utilising third parties to supply, install and maintain ATMs, could directly and adversely affect our business. As on the date of this Prospectus, no policies, decisions and frameworks of the RBI and the GoI which are applicable to our customers, are applicable to us, other than those mentioned in the chapter "*Key Regulations and Policies*" on page 172 and no penalty has ever been levied on the Company. However, RBI may, in the future, introduce new laws, regulations or policies that may directly or indirectly impact the Company's business and operations. Further, there can be no assurance that the existing laws, regulations and policies that affect the businesses of our customers will not be revoked, amended or replaced, or that the RBI and the GoI will continue to implement or interpret existing laws, regulations or policies as they currently do.

In addition, various other aspects of our business are, and may in the future be, highly regulated by government regulations such as the Motor Vehicles Act, 1988 ("**Motor Vehicles Act**") that governs the licensing of drivers, vehicles (including our fleet of over 3,965 cash vans as of August 31, 2021, transport undertakings, insurance and other aspects of our business relating to our fleet, while our workforce and their unions are also regulated by the applicable labour laws, regulations and policies governed by the respective state and central governments. Furthermore, in August 2018, the Ministry of Home Affairs had laid down model rules that regulate outsourcing of security services by cash transportation companies. To the extent there are changes to the regulatory requirements to which our business is subject or if we are not able to comply with these or other regulatory requirements, we may be required to incur additional expenses or make changes to our business or we could become subject to penalties, which could include the suspension, revocation or termination of licenses, permits or approvals and limit our ability to operate and manage our business.

For further details, see "*Key Regulations and Policies*" and "*Government and Other Approvals*" on pages 172 and 328, respectively.

17. The currency demonetisation measures imposed by the GoI in November 2016 had a significant impact on the Indian economy and cash circulation in India, and there is uncertainty whether similar unanticipated measures could be adopted by the GoI in the future.

On November 8, 2016, the GoI withdrew the legal tender of ₹500 and ₹1,000 denominations of bank notes. Pursuant to this currency demonetisation, these high denomination notes could no longer be used for transactions (except in few notified sectors for a short period of time) or exchange purposes and consequently had no value. These notes were replaced with a new series of bank notes of ₹500 and ₹2,000 denominations through banks. In an effort to monitor replacement of demonetised notes, the GoI had initially specified limits for exchange and withdrawal of currency all over India. The process of demonetisation and replacement of these high denomination notes significantly reduced the liquidity of cash in the Indian economy, a predominantly cash-based economy. This was particularly the case in rural and semi-urban regions of India, which are more remote and furthest away from supplies of the new bank notes and where bank branch and ATM penetration are at their lowest. In addition, during this period, ATM machines and other automated cash machines had to be recalibrated to accept the new bank notes, which were in sizes that were different from the old bank notes, contributing to the delays in normalising cash liquidity in the country. The cash management industry, together with our Company, were significantly impacted by this, as the circulation of cash decreased following demonetisation, and delays in recalibrating ATMs resulted in a large number of ATMs being temporarily incompatible with the new denominations. Further, during this time our retail cash management services business was also impacted, as the demand of our retail customers for our services decreased significantly following demonetisation. Further, we were required to direct significant resources towards recalibrating ATMs machines for the new bank notes. During the period immediately following demonetisation there was also a significant decrease in the number of ATMs we deployed at that time.

Although cash availability has increased since the demonetisation in November 2016, with currency in circulation in India amounting to approximately ₹13,352.0 billion as of March 31, 2017, compared to ₹16,634.0 billion as of March 31, 2016, and further to ₹18,293.0 billion, ₹21,373.0 billion, ₹23,701.0 billion and ₹28,370.0 billion as of March 31, 2018, 2019, 2020 and 2021, and ₹29,500.0 billion as of August 2021 (Source: RBI; Frost & Sullivan); there can be no assurance that the GoI will not institute similar measures in the future. For example, the GoI has proposed various measures to accelerate India's transition to a cashless economy, including a ban on cash transactions over ₹200,000, tax incentives for creation of a cashless infrastructure, promoting greater usage of non-cash modes of payments, and making Aadhaar-based payments more widespread. As the amount of cash in circulation increases, so does the need for cash and cash-related services, and we currently expect increasing cash in circulation to be one of the drivers of our future growth. However, any decrease in cash in circulation or slowdown in the Indian economy, the cash management industry or our business as a result of demonetisation or any similar future measures by the GoI could adversely affect our business, results of operations, cash flow and financial condition.

18. ***If our MSP customers cease to be engaged by banks, our business, results of operations, cash flows and financial condition may be adversely affected.***

MSPs are often engaged directly by banks to provide ATM cash management services, which are then subcontracted to third-party service providers, such as us. As of August 31, 2021, our ATM cash management customers included more than 13 MSPs, on whose behalf we provide ATM cash management services to 45 public and private Indian banks. As a result, the revenues that we generate from ATM cash management services are significantly dependent on the relationship between our MSP customers and their bank customers, which is largely outside of our control. In Fiscal Years 2019, 2020, 2021 and in the five months ended August 31, 2021, we generated ₹4,733.05 million, ₹4,890.11 million, ₹5,553.15 million and ₹2,751.36 million, respectively, in revenues from MSP customers. Although there were no instance of termination of contracts with our key MSP customers in Fiscal Years 2019, 2020, 2021 and in the five months ended August 31, 2021, there can be no assurance that our MSP customers will continue to be engaged by the same banks or that those banks will not engage other MSPs that are not our customers or that are not the customers of our competitors. In addition, MSPs may be required to lower the prices they offer banks for their services, which could in turn require us to lower our prices. Public sector banks typically award contracts on price based bidding systems, increasing the external pressures on our pricing when tendering for contracts for public sector banks, who typically tender for high volume, high revenue contracts. This may increase pricing pressure and competition in the industry, as well as lower the margins of our services. If an MSP's contract with a bank for ATM management services is terminated or expires, the MSP is typically required to give us notice of at least 30 days' notice prior to terminating their contract with us. Any termination of a relationship between one of our MSP customers and the bank that engages them could result in a decrease in our revenues and our market share, as well as adversely affect our business, results of operations, cash flows and financial condition. In addition, to the extent that an MSP does not give us sufficient notice of termination of business by that MSP, in order to enable us to ramp down our costs, or new MSPs engaged by banks for migrated ATMs do not offer us an equal number of ATMs at similar pricing, the adverse effect on our business could be increased. Further, MSPs may insource ATMs to their own captive cash management companies and reduce business to us as we continue to build out our own brown label ATM business. In addition, MSPs are also subject to credit risk, which can be impacted by a number of factors, some of which are beyond their control, including increased default and non-payment rates by customers and any financial difficulties they may have in relation to their commercial soundness. For example, increased default and non-payment rates by customers and any financial difficulties they may have in servicing their obligations can impact on their financial performance and, depending on the extent to which the MSP's customers default or fail to comply with their obligations, can impact on the commercial soundness of the MSP, which may negatively impact on the MSP's operations, and the number of customers it services, which can decrease the MSP's demand for our services. Any adverse developments that impact the businesses of MSPs could result in them losing market share or decreasing the prices they can charge for their services, which in turn could result in decreased demand for our services or increased price pressure on our services. This can adversely affect our revenues, cash flow, margins and results of operations.

19. We have entered into certain Brown Label ATM and remote monitoring contracts as part of the expansion of our business, which could pose risks to our business.

In recent years, we have scaled up our Brown Label ATM offerings and entered into the remote monitoring business. For our brown label ATM business, we deploy capital on behalf of banks to set up ATMs and operate and service them under a five to seven-year agreement, which normally comes with an option for the banks to extend up to three years until ATMs are no longer fit for purpose, at which point the contract expires. For our brown label ATM services, we earn fees under different payment structures, including fee per transaction and fixed monthly fees arrangements. As the brown label ATM business is still relatively new for us, we might face operational and/or execution challenges associated with the contracts that we have won to date. The expansion of our brown label ATM service offerings also expose us to the risk of declining ATM transactions in India, due to which we might fail to achieve the anticipated returns that we envisioned at the time of entering into such contracts. The banks that are our customers could also impose penalties on us according to our contractual terms in certain situations, such as if uptimes are low, and if there are severe violation of our contractual terms with the banks, our brown label ATM service contracts might get terminated, which could have an adverse impact on our business, revenues, cash flow, margins and results of operations.

We have also entered into the remote monitoring business in 2021, under which we deploy cameras and sensors at remote locations such as ATM sites and provide centralized monitoring service from a technology enabled control room. We have won two large remote monitoring contracts from SBI and another public sector bank in 2021; however, since we do not yet have a long history of operating remote monitoring business, we might face operational and/or execution challenges associated with these contracts we won in 2021. The banks could also impose penalties on us according to our contractual terms in certain situations, and if there are severe violation of our contractual terms with this bank, our remote monitoring service contract might get terminated.

In both our Brown Label ATM and remote monitoring businesses, we have to incur significant capital expenditures and if these expenditures are not fully realized or the relevant contracts are not completed for the entirety of the contract period, we could incur significant financial losses and fail to generate any returns on invested capital or even recoup our initial investments, which could adversely affect our business, results of operations, cash flow and financial condition. Entry into these new lines such as these could also be perceived negatively, since this may bring us into competition with some of our customers and vendors, which could impact our relationship with them and adversely impact the business we do with them.

20. Failures of our information technology systems could have a material adverse effect on our business, results of operation, cash flows and financial condition.

The success of our businesses depends in part upon our ability to effectively deploy, implement and use information technology systems and advanced technology initiatives in a cost effective and timely basis. Our information technology systems include multiple applications and other systems that allocate resources, provide data for cash replenishment and plan daily routes and facilitate internal and external communications, enabling us to coordinate and make quick decisions across our business. Our information technology systems also rely on, and interact with, information technology systems of our customers and other third parties, and we share certain software with various banks. We have implemented a data protection and privacy policy that restricts access and implements other procedures with respect to the handling of all personal data held by our Company in accordance with applicable law, and we also maintain a cyber-crime insurance policy. While we endeavour to follow and implement our data security policy at all times and, to the best of our knowledge, there were no known instances of material breaches of the our data in Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, there can be no assurance that we will be able to prevent future data breaches or effectively deploy, implement and use information technology systems and advanced technology initiatives to prevent or respond to disruptions or other problems with our information technology systems, or in connection with the interaction between our information technology systems and those of our customers or other third parties. Such disruptions could include telephone or information technology infrastructure failures, cyber security or other external security breaches, viruses and other disruptive events, or that result from events beyond our control, such as fire, natural disasters, unauthorised entry, power loss, telecommunications failure, computer viruses, terrorist acts and war. If we experience disruptions or problems such as these, our ability to service our customers, and conduct and manage our business, as well as our reputation with our customers, could be adversely affected, and we could lose customer contracts and business and incur significant remedial costs, penalties and expenses, each of which could have an adverse effect on our business, results of operations, cash flows and financial condition.

In addition, our ability to grow our business and improve the efficiency of our operations requires us to implement new information technology systems and integrate new businesses into our information technology systems. Any information technology systems, infrastructure or processes that we rely on for the delivery of our services may not perform satisfactorily or may not be suitable for any new business we acquire. In addition, we may not have the ability or capacity to adapt our information system technologies, including our customer service platforms, for any new business, increase in scale of operations, changing user requirements or emerging trends and industry standards or government regulations. If we do not effectively manage our information technology systems, in a timely and cost-effective manner, we may experience disruption to our business and our ability to deliver value to our customers may decrease, and as a result, our expenses may increase, our margins may decrease, and our cash flows and results of operations may also be adversely affected. There can be no assurances that we will successfully be able to implement or adopt new information technology systems or integrate new businesses into our information technology systems without disruptions to our operations.

21. Violations of our information technology systems by third parties could harm our business and expose us to liability by compromising cardholder information and damaging our relationships with our financial card management business customers.

Our financial cards management business personalises and embosses plastic credit and debit cards and uploads variable data and information onto EMV chips or magnetic stripes on the credit and debit cards as part of this service. In addition, as a Brown Label ATM service provider, we receive access to personal information and data on the cards that are inserted into the ATMs that we operate. The personal information that we receive as a result of it being embossed onto the cards we produce or personalize, as well as the personal data that is uploaded on the EMV chips and magnetic stripes or that we receive as a Brown Label ATM service provider, are generally provided to us by the bank for which the credit and debit cards are being produced with the contractual understanding that the information is to be held confidential and that we are required to implement security measures to protect such data and information. Although there have not been any past instances of breaches of these security measures, if the security measures that we have instituted to prevent violations of our information technology systems by third parties are insufficient or fail and illegal access, such as through hacking or other illegal means, is gained to this information or it is stolen by third parties or our employees or personnel provided to us by our third-party service providers and third-party security service providers and the information or data is misused, our financial cards management business could be disrupted and we may be exposed to liability and become subject to penalties and even protracted and costly litigation. In addition, under the contracts with our customers, we could incur penalties for downtime or other contractual violations. Any security breach of this nature could also harm our reputation, including the reputations of our other businesses, and our relationships with the customers whose information was stolen or illegal accessed could be damaged, which could have an adverse effect on our business, reputation, results of operations, cash flows and financial condition. In addition, given the increasingly digital nature of our business, any hacking attacks or other disruptions of our information technology systems, in particular with respect to our Brown Label ATM business and our remote monitoring businesses, could require longer periods for us to get these services back online compared to more traditional technologies, which could result in us incurring penalties or other adverse impacts to these businesses.

22. Our ability to service contracts with public sector banks and other government bodies may involve added complexity and be adversely affected by political and administrative decisions.

We enter into direct customer relationships with Indian public sector banks in connection with the provision of brown label ATM deployment, sale and installation of software solutions, remote monitoring, ATM deployment and maintenance services, retail cash management and financial card management services. We also provide ATM cash management services to public sector banks on behalf of MSPs, and part of our business strategy is to target public sector banks for new outsourcing opportunities. Our contracts with Indian public sector banks amounted to 15.53%, 27.56%, 22.45% and 29.88% of our total revenue from operations for Fiscal Years 2019, 2020 and 2021 and the five months ended August 31, 2021, respectively.

Our contracts for services undertaken for public sector banks are usually only entered into following a tender process that has strict qualification criteria and pricing requirements. By its nature, a tender process is a competitive process, and there can be no assurance that we will meet any such qualification criteria, or that the pricing of our services will meet the bank's requirements. As a result, historically there have been certain contracts we have bid for that we have not won, in whole or in part, and this may be the case with contracts that we bid for in the future. Further, due to the strict pricing requirements of public sector bank tenders, any contracts that we secure for public sector banks may not be as profitable than certain of our other customer contracts, or at all, which could result in lower margins, reduced cash flow, and adversely affect our results of operations. In addition, the performance of our services for public sector banks may be affected by political and administrative decisions concerning levels of public spending and public opinion on outsourcing in general. In certain cases, due to applicable regulations, certain terms of public sector contracts, such as pricing terms, contract period, and use of subcontractors, are less flexible than comparable private sector contracts. Payments received in relation to public sector contracts also tend to be slower in terms of the time invoices are outstanding compared to other customers. Based on the payments received in Fiscal Year 2021, the simple average of gap between billing and the collection of payment for invoices was 85 days (including public and private sector customers), for the Company and the corresponding simple average of days between bill date and payment receipt date in case of invoices to public sector bank and state government customers was 104 days in Fiscal Year 2021.

In addition, to the extent we provide services to the GoI, any contract with the GoI will be subject to audit by the Comptroller and Auditor General of India, which audits all receipts and expenditure of the GoI and the state governments. Payments from public sector customers may be, and have been, subject to delays, due to regulatory scrutiny and procedural formalities, including audit by the Comptroller and Auditor General of India. In addition, to the extent that payments under our contracts with governmental and public sector customers are delayed, our cash flows may be impacted. Additionally, any decisions to decrease spending as a result of an economic downturn, or otherwise, may result in the termination or downscaling of public sector contracts, which could have a material adverse effect on our business, results of operations or financial condition.

23. Our relationships with our workforce and the trade unions, as well as changes in the laws and regulations that regulate those relationships, could adversely affect our business, results of operations and financial condition.

As of March 31, 2019, 2020, 2021 and August 31, 2021, we employed 8,407, 8,031, 6,943 and 7,447 employees, respectively. Further, we also engaged 13,094, 15,143, 15,006 and 15,203 personnel as of March 31, 2019, 2020, 2021 and August 31, 2021, provided to us by our third-party service providers and third-party security service providers (including consultants). Of our 245, 265, 224 and 238 branches and offices as of March 31, 2019, 2020, 2021 and August 31, 2021, respectively, 88, 89, 92 and 92 branches, respectively, have unionized employees and personnel provided to us by our third-party service providers and third-party security service providers, who are covered by collective bargaining agreements. As of August 31, 2021, we had a total of 10 unions representing approximately 18.18% of our employees and personnel provided to us by our third-party service providers and third-party security service providers.

When our relationships with our employees or unions deteriorate, or the relationships of our third-party service providers and third-party security service providers and their personnel or unions deteriorate, we may experience labour unrest, strikes, lockouts or other labour action and work stoppages that prevent us from providing our services to our customers. In addition, these disputes and unrest can also adversely affect our reputation with our customers and in some cases, may give rise to liability to our customers if we fail to perform our contractual obligations to them. In addition, any initiatives we undertake to prevent unrest in our employees, or that our third-party service providers and our third-party security service providers may take in respect of their personnel, may be ineffective, and there can be no assurance that we will not experience any labour unrest, strikes, lockouts or other labour action and work stoppages from our workforce in the future. In Fiscal Years 2019, 2020 and 2021 and the five months ended August 31, 2021, we experienced strikes and work stoppages during the course of our business operations in relation to union disputes. In particular, due to union unrest involving labour strikes, we were required to close down one of our branches in Kolkata in June 2020. As a result of this closure, a total of 347 employees and personnel provided to us by our third-party service providers and third-party security service providers were affected and of whom 286 were compensated in accordance with Indian law. There can be no assurance that the corporate policies or the third-party insurance policies for professional indemnity and commercial general liability that we have in place to help reduce our exposure to these risks will be effective or that we will not experience losses as a result of these risks. Any losses that we incur in this regard could have an adverse effect on our reputation, business, results of operations and financial condition.

Our employees and personnel provided to us by our third-party service providers and third-party security service providers are also covered by government laws and regulations, such as the minimum wages legislations of the respective states, which regulate, among other things, the wages and benefits that our employees and the personnel provided to us by our third-party service providers and third-party security service providers receive. The union cabinet of the GoI has approved the Code on Wages Bill 2019, which was passed by both houses of the Parliament and assented to by the President of India in 2019. The GoI has already brought into force the provisions relating to the Central Advisory Board on minimum wages under the Wages Code, and the remaining provisions will be implemented as and when notified in the Official Gazette by the GoI to integrate and replace the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Wages Code, among other things, stipulates minimum wages payable to all workers in the country and governs the manner in which wages are paid. The actual sector-specific floor wages will be fixed by the government notifications that the GoI will issue from time to time after the Wages Code is brought into force, which can increase our employee benefit expense in respect of our employees and service and security charges payable by us in respect of personnel provided to us by our third-party service providers and third-party security service providers. Moreover, the Supreme Court on 28 February 2019 ruled that all allowances are to be treated as wages for the purpose of provident fund ("**PF**"), effectively widening the definition of pay for the purpose of PF. If we are unable to pass on any or all such expenses to our customers in a timely manner, our total expenses could increase significantly, and our profit margins could be adversely affected.

Any increases in expenses or other adverse consequences that we experience as a result of strikes, work stoppages or other labour disputes, or generally as a result our negotiations with trade unions or due changes in the law and regulations that govern our relationships with our employees and the relationships of our third-party security services providers and the personnel provided to us by our third-party service providers and third-party security service providers, could have an adverse effect on business, results of operations and financial condition.

24. To protect our operations and employees we procure security services from regulated third-party security service providers whose personnel may carry and handle firearms and ammunition. Any misuse or contravention of laws or policies relating to firearms by such personnel may adversely affect our reputation and expose us to potential liabilities.

To protect our operations and employees, we procure security services from regulated third-party security service providers. These security services include armed guards and security personnel, who are licensed to carry and operate firearms. In connection with procuring security services, our security service provider and its employees must have special licenses in order to provide these services and to carry firearms and ammunition. Their weapons must also be registered, and there are, for example, legal requirements for storing weapons when they are not in use as well as limitations on the type of ammunition and weapons that can be used. We do not control our third-party security service provider or personnel provided by our third-party service providers and third-party security service providers, however we could be exposed to direct or indirect liability (including vicariously) or suffer reputational damage in the event of misuse or contravention of laws or policies by our third-party security service providers or personnel provided by our third-party service providers and third-party security service providers, including as a result of an customer, employee, member of the public or other persons being injured or killed through the misuse of firearms or ammunition, which may have an adverse effect on our reputation and expose us to liabilities, resulting in an adverse effect on our business and financial condition. In addition, there can be no assurance that the third-party insurance policies for professional indemnity and commercial general liability that we maintain will be sufficient to cover any such liabilities in part or at all.

In addition, certain of personnel provided by our third-party service providers and third-party security service providers are regulated pursuant to PSARA and rules made thereunder and enforced by the respective state governments, and other laws and regulations, under which any increase in costs that are due to any change in regulatory requirements for such services may be passed on by the vendor suppliers and security agencies to the party acquiring those services. For example, in 2018 MHA established model rules that regulate outsourcing of security services by cash transportation companies which could increase the cost of third-party security service providers. Therefore, as a consumer of such regulated services, we may be liable to pay to our vendor suppliers and security agencies any increase in costs they incur as a result of any changes to the regulatory requirements in respect of personnel provided by our third-party service providers and third-party security service providers. There can be no assurance that there will not be any changes to the regulatory requirements in respect of personnel provided by our third-party service providers and third-party security service providers, or that we will not be liable for any resulting increased costs in the future. Any increase in costs that we are required to pay in connection with personnel provided by our third-party service providers and third-party security service providers will increase our expenses, which could decrease our margins, and adversely affect our cash flows and results of operations.

25. Any adverse change in laws, rules and regulations may adversely affect our business, prospects and results of operation, as well as your investment in our Equity Shares.

We are engaged in the business of providing cash management services. The regulatory and policy environment in which we operate is evolving and may be subject to change. The governmental and regulatory bodies in India may notify new regulations and policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations and policies may have a material adverse effect on our business, financial condition and results of operations.

The application of various Indian laws, rules and regulations to our services, currently or in the future, may also be subject to interpretation by applicable authorities, and if retrospectively interpreted, amended or notified, could result in an increase in our compliance cost (prospectively or retrospectively) or subject us to penalties, which could affect our business operations. For instance, the Private Security Agencies (Regulation) Act, 2005 ("**PSARA**") regulates the provision of private security services in India, which we believe is not applicable to our business. The PSARA applies to private security agencies and is administered by the Ministry of Home Affairs ("**MHA**") in India, while the authority to issue PSARA licenses has been delegated by the MHA to the state governments in India. Private security agencies are those organisations who are involved in providing security services, including providing private security guards, to any industrial or business undertaking or a company or any other person or property. No company or individual can commence a business or provide security guards without holding a valid PSARA license issued by the relevant state authority. The MHA in August 2018 issued the Private Security to Cash Transportation Activities Rules, 2018, ("**2018 MHA Guidelines**") which lay down guidelines for standard operating procedures for providing security by the private security agencies to cash transportation activities. For further details see "*Key Regulations and Policies*" on page 172.

While we believe that 2018 MHA Guidelines (i) establish the distinction between cash management companies and private security services, and (ii) validate that cash management companies may outsource security needs to private security services, a regulatory authority could take a view different.

Prior to the 2018 MHA Guidelines, we had received certain notices and correspondences from authorities that cash management activities undertaken by us would require PSARA license. We have responded to such authorities and explained that cash management is a distinct category from private security services and does not fall under the ambit of PSARA. Since then we have not received any further correspondence from said authorities.

If any regulatory authority takes a view different from the view taken by us, or as acknowledged by 2018 MHA Guidelines and interprets the PSARA to apply to aspects of our business, then we may seek to alter or reorganize the manner in which we conduct our business in order to avoid the need for us to obtain a license under the PSARA. However, there can be no assurance that we would be able to do so in a manner that is profitable and commercially acceptable to our customers or, at all. Foreign investment laws in India currently limit foreign ownership in holders of a PSARA licence to 49% of the share capital. If, as a result in future interpretations of PSARA, we are unable to avoid the need for our business to hold a license under PSARA, we could be required to take steps to reduce foreign investment in our Company to the then permitted level of foreign shareholding, including requiring our Promoter to sell all or a portion of its holdings of Equity Shares or our Company conducting offerings of new Equity Shares to reduce foreign investment, and any such dilutive offering could be required at times or on terms that adversely impact both foreign and domestic holders of our Equity Shares.

In the event of the abovementioned future adverse interpretations, there are no clear rules or regulations that set out the manner or timeline in which we may be required to achieve compliance with PSARA and related foreign shareholding limits in our Company, which could result in uncertainty and adversely impact our business as well as our shareholders. Additionally, in the event that we are found to be in violation of the PSARA or foreign investment laws in India, we could also be exposed to sanctions and penalties such as imprisonment and fines.

Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including PSARA and foreign investment laws (including by reason of an absence, or a limited body, of administrative or judicial precedent) governing our business, operations and group structure could result in us being in contravention of such laws which may attract penalties including imprisonment and may require us to apply for additional approvals. Further, we may incur increased costs and other burdens relating to compliance with such new requirements, and any failure to comply may adversely affect our business, results of operations and prospects and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future, as well as your investment in our Equity Shares.

26. There are outstanding legal proceedings against our Company, our Directors, our Subsidiaries, and our Promoter. Any adverse decision in such proceedings may result in liabilities or penalties, which will adversely affect our business and results of operations.

There are outstanding legal proceedings against our Company, our Directors, our Subsidiaries and our Promoter. These proceedings are currently being adjudicated at different levels of adjudication before various courts, tribunals and other authorities. The summary of outstanding litigation in relation to criminal matters, direct tax matters, indirect tax matters, actions by regulatory and statutory authorities and matters above the materiality threshold against our Company, our Directors, our Subsidiaries and our Promoter is provided in the following table, which sets out brief details of such outstanding proceedings:

(in ₹ million, unless otherwise specified)

Nature of cases	No. of cases	Total amount involved
Litigation involving our Company		
Against our Company		
*Material litigation proceedings^*	11	101.93
Criminal cases	39	59.80
Action taken by statutory and regulatory authorities	2	4.31*
Claims relating to direct and indirect tax proceedings	24	546.25
By our Company		
*Material litigation proceedings^*	1	150.00
Criminal cases	392	1,115.89
Litigation involving our Subsidiaries		
Against our Subsidiaries		
*Material litigation proceedings^*	6	19.75
Criminal cases	14	25.56
Action taken by statutory and regulatory authorities	7	0.87*

Nature of cases	No. of cases	Total amount involved
Claims relating to direct and indirect tax proceedings	2	2.67
By our Subsidiaries		
*Material litigation proceedings^*	1	313.44
Criminal cases	128	500.43
Litigation involving our Directors		
Against our Directors		
*Material litigation proceedings^*	1	-*
Action taken by statutory and regulatory authorities	1	-*
Criminal cases	2	-*
Litigation involving our Promoter		
Against our Promoter		
*Material litigation proceedings^*	1	-*

^Based on the Materiality Policy
**To the extent quantifiable*

The cases identified and amounts claimed in these legal proceedings have been disclosed to the extent ascertainable and to the best of our knowledge and include amounts claimed jointly and severally. There is no provisioning for potential liabilities, if any arising out of these outstanding litigations. Further, ₹561.60 million is reflecting as contingent liabilities with respect to the outstanding litigation in the Restated Financial Information as of August 31, 2021. If any new developments arise, such as a change in the applicable laws or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

We cannot assure you that any of these proceedings will be settled in our favour or in favour of our Directors or our Subsidiaries or our Promoter or that no additional liability will arise out of these proceedings. For further details, see "*Outstanding Litigation and Material Developments*" on page 320.

Further, our Company has received summons for submission of certain information from the Office of the Special Director, Enforcement Directorate, Government of India ("**ED**") dated October 11, 2021 and November 23, 2021. The summons were issued under section 37 (1) and (3) of FEMA read with section 131(1) of the Income Tax Act, 1961 and Section 30 of the Code of Civil Procedure, which relates to discovery and inspection of certain documents and requesting for personal attendance to give evidence. The Company, through its authorised representative, attended the ED's office and submitted the information on December 3, 2021. The Company has not received any further correspondence from ED since then, however, no assurances can be given as to the implications this request may have on the Company, if any.

An adverse outcome in any of these proceedings could have an adverse effect on our Company, our Directors, our Subsidiaries or our Promoter, as well as on our reputation, business, prospects, financial condition, cash flows and results of operations.

27. Potential new currency designs may require modifications to certain automated banking products in our portfolio that could adversely effect on our business, results of operations, cash flows and financial condition.

Any change to the features of Indian bank notes that are processed or dispensed from ATMs and other automated cash machines that we service or deploy, such as to the size or the addition of tactile features onto notes, could require modifications to the ATMs or automated cash machines that result in delays or inefficiencies in our ability to service or deploy those machines. For example, during the currency demonetisation by the GoI in 2016, the size of certain of the bank notes changed. This meant that ATMs and other automated cash machines had to be recalibrated to accept the new bank notes, which resulted in significant delays and inefficiencies, since ATMs could not be used until they had been recalibrated for the specified currency. The cash management industry, including our Company, were significantly impacted by this, and had to direct significant resources towards recalibrating ATMs machines to accept the new bank notes. There can be no assurance that this will not happen again in the future. For example, on August 25, 2017, the RBI issued legal tender of new ₹200 denomination bank notes, which were significantly narrower than the new ₹500 bank note. Such difference in dimensions will necessitate recalibration of ATM machines and other automated cash machines in order to enable such machines to accept the new bank notes, which may result in delays or inefficiencies in our ability to service or deploy those machines.

Any such changes or modifications could cause significant delays or inefficiencies, and require us to incur substantial additional expenditures to accommodate such changes or modifications, which could adversely effect on our business, results of operations, cash flows and financial condition.

28. We extend warranties to certain of our customers, which exposes us to potential liabilities.

When we enter into an arrangement to deploy an ATM or other automated cash machine for our customers, we provide our customer with a product and service warranty of one to three years that typically covers general repairs and replacements during the initial warranty period which may typically be extended for a fee or at no additional cost to our customer. Although we seek to arrange back-to-back warranties with the manufacturing suppliers from which we source the ATMs and other automated cash machines, we are nevertheless obligated to perform our obligations under the terms of warranties we issue to our customers, regardless of whether our back-to-back warranties are honoured by our suppliers. Given the Company has back-to-back warranty arrangements with its manufacturers, the Company has not made any provisions for product warranty as it does not expect to incur additional cost for the same. However, costs in relation to these warranties would accrue to the Company if the manufacturer enters into financial difficulty or bankruptcy during the term of the warranty and it is not able to perform its obligations under the warranty or if the manufacturer disputes the scope of their warranty and any amounts under the warranty that we may claim. Although no such instances have happened in the last three Fiscal Years and thus no provision has been made for the same by the Company, there cannot be any assurances that this will not happen in the future. In addition, our assumptions regarding the scope of the manufacturer's warranty may not be accurate, the manufacturer may dispute the scope of their warranty and any amounts under the warranty that we claim, or the manufacturer could enter into financial difficulty or bankruptcy during the term of the warranty and not be able to perform its obligations under the warranty. If we experience a significant increase in warranty claims from our customers, we may incur significant repair and replacement costs associated with such claims if we are not able to claim those costs from our suppliers. If we are not able to satisfactorily fulfil any warranty conditions offered to our customers, we may incur penalties and other liabilities, harm our reputation and relationships with our customers, and may also not be requested or permitted to participate in future tenders for contracts. To the extent that the shortfall associated with performing the terms of any warranty are not covered by our arrangements with our OEM suppliers, we may have to incur such costs ourselves, which could adversely affect our business, results of operations, cash flows and financial condition. When we enter into an arrangement to provide services to our customers, we provide our customers with a performance guarantee. If we are not able to satisfactorily fulfil such guarantees, we may incur penalties and other liabilities, harm our reputation and relationships with our customers, and may also not be requested or permitted to participate in future tenders for contracts.

29. We may be subject to claims arising out of accidents or injuries at the sites of ATMs that are operated by us as part of our Brown Label ATM services.

The services we offer as part of our Brown Label ATM services business may attract liability in certain circumstances where bodily injury occurs to persons interacting with our ATMs, including where the person may suffer injury while using an ATM or from being trapped inside the premises on which the ATM is located. To the extent that we are liable for any such instances and our insurance does not cover the costs associated with such claims, we may have to incur such costs ourselves, which would increase our expenses, and which may adversely affect our business, results of operations, cash flows and financial conditions.

30. We face risks associated with our acquisitions, including risks arising from change of control provisions in contracts of any acquired company, local law factors and risks associated with restructuring of operations.

We have acquired companies in recent years which now form part of our business, and we intend to continue to explore selective strategic acquisitions both in India and outside of India to continue to grow our business. For further information, relating to our acquisition strategy, see "*Our Business - Our Strategies - Grow through selective value accretive strategic acquisitions*" on page 153.

However, acquisitions involve a significant number of risks, including risks arising from change of control provisions in contracts of any acquired company, local law factors and risks associated with restructuring operations. The successful implementation of acquisitions depends on a range of factors, including funding arrangements, cultural compatibility and integration. Potential difficulties that we may encounter as part of an acquisition could include the following:

- inability to obtain GoI or other regulatory approvals;
- our inability to turnaround or grow a business, which may also result in our inability to meet acquisition finance costs;
- underestimated costs associated with the acquisition or over-valuation by us of acquired companies;
- limited control to retain customer contracts after any acquisition;
- incurring of debt or loan liabilities in order to finance an acquisition and execution of financing agreements with restrictive covenants in relation to the same;
- insufficient indemnification from the selling parties for legal liabilities incurred by the acquired company prior to the acquisition;
- our failure to discover issues around an acquired company's intellectual property, customer relationships, accounting practices or regulatory compliances;
- financial liabilities (including payment of arrears in remuneration and other labour welfare benefits) of acquired companies;
- potential unknown liabilities, legal contingencies and unforeseen increased expenses or delays associated with the acquisition;
- delays in the integration of strategies, operations and services and increased costs of integration;
- attrition and differences in business backgrounds, corporate cultures and management philosophies that may delay successful integration;
- the possibility that the full benefits anticipated to result from the acquisition will not be realised;
- reallocation of our management's time from our existing business as a result of the acquisition;
- litigation or other claims in connection with acquired companies, including claims from terminated workforce, customers, former stockholders or other third parties;
- retaining key executives and other employees;
- challenges associated with creating and enforcing uniform standards, controls, procedures and policies;
- the disruption of, or the reduction in growth in, our on-going businesses; and
- foreign exchange controls and other changes in regulatory environment.

If we are unable to successfully overcome the potential difficulties associated with the integration process and achieve our objectives following an acquisition, the anticipated benefits and synergies of our recent or any future acquisitions may not be realised fully, or at all, or may take longer to realise than expected. There can be no assurance that we will be able to fully realize the anticipated benefits of any future acquisitions successfully within our expected timeframe or at all**.** Additionally, no assurance can be given that any businesses acquired will be profitable. Any failure to realise anticipated benefits in a timely manner could have an adverse effect on our business, results of operations, cash flows and financial condition.

In addition, we do not have experience in operating businesses outside of India, which may impact our ability to acquire, manage, develop, grow and successfully integrate business outside of India with our existing business operations in India. There can be no assurance that we will be able to successfully acquire or develop any businesses outside of India. Any inability by us to successfully operate in new markets outside of India could adversely affect our growth and prospects and have an adverse effect on our business, results of operations, cash flows and financial condition.

31. We may not be able to successfully implement our business strategies to grow our business organically.

Our growth strategy includes growing our business organically and expanding into new business areas, including remote monitoring, bullion movement, financial inclusion services, currency chest automation and retail cash automation. We cannot assure you that our growth strategy will be successful or that we will be able to continue to expand further or diversify our product and service offerings. For example, we have in recent years expanded our business into remote monitoring services, which required us to make significant upfront capital expenditures to obtain necessary equipment and technologies. While we have recently won two large contracts from SBI and another public sector bank in 2021 for our remote monitoring services, we do not yet have a long history of operating remote monitoring business and might face operational and/or execution challenges. If we failed to fulfil our agreed responsibilities, our remote monitoring customers could also impose penalties on us according to our contractual terms in certain situations, and if there are severe violation of our contractual terms with our customers, our remote monitoring service contracts might get terminated. In addition, our expansion into the currency chest automation business and our future growth of that business is dependent on state-owned banks continuing to outsource their currency chest automation operations to private third-party companies, such as us. If, for example, regulations change so that these banks were no longer permitted to outsource such operations or it became no longer economical to do so, we may not be able to grow our currency chest automation business as anticipated or at all. However, to the extent our future expenditures to grow this business are more than anticipated or our plans with regard to this business change for unforeseen reasons, we may not be able to realise a return on our investments.

In addition, our organic growth strategies have placed and continue to place significant demands on our management and our ability to manage our growth and these strategies will depend on the timely and cost-effective availability of capital, debt, allocation of our workforce and other resources, ability to procure, service and maintain plant and equipment efficiently and cost effectively, and maintenance of strict risk management standards to minimise risk. There can be no assurance that our current policies, systems and processes will adequately address these and other risks that we face, or that new risks will not arise as a result of our growth strategies which we have not anticipated. If we are not able to successfully implement our business strategies to grow our business organically in the manner we have planned, our business, financial condition and results of operations could be adversely affected.

32. We are dependent on a number of key managerial personnel, including senior management, and the loss of or our inability to attract or retain such persons with specialised technical know-how could adversely affect our business, results of operations, cash flows and financial condition.

Our performance depends largely on the efforts and abilities of our senior management team, other key personnel and the performance and productivity of our operational managers and field personnel. Our senior management consists of a diverse group of experienced and qualified professionals and any loss of these individuals could result in a loss of their respective industry knowledge and expertise. The input and experience of our senior management and Key Management Personnel are also important to the future development of our business and our business strategy. In compliance with Regulation 17(4) of the SEBI Listing Regulations, we have a policy in place for the orderly succession for appointments of senior management and Key Management Personnel, which includes identifying and nominating suitable candidates, identifying the competency requirements of critical and key positions, and identifying and assessing candidates and developing required competencies, among others. However, while we have a policy in this regard in place, we cannot assure you that we will be able to retain these employees or, to the extent they leave our Company, find adequate replacements for them in a timely manner, or at all. We may also require a long period of time to identify potential candidates, and recruit and train personnel when skilled personnel cease employment with us. Further, the market for qualified personnel with relevant industry expertise in India is competitive. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining skilled employees that our business requires. The loss of the services of any or a group of our key personnel could adversely affect our business, results of operations, cash flows and financial condition. In addition, there is a limited number of people with the requisite skills and industry experience required to manage complex, and significant, business operations such as ours. If we are unable to recruit sufficient personnel with the necessary skills and industry expertise, our ability to manage our operations may be adversely affected, which may result in decreased customer satisfaction with our services, decreased revenues and adverse effects to our results of operations. The following table sets forth the resignations of our Key Management Personnel over the last three Fiscal Years to date:

Name of Key Management Personnel	Designation	Date of resignation
Sheen Sunny Akkara	Chief Human Resources Officer	October 20, 2020
Subhash Kelkar	Chief Technology Officer	September 29, 2020
Ashish Shrivastava	Chief Information Officer*	November 15, 2019

**The functions and responsibilities are the same as the Chief Technology Officer.*

33. Any failure to obtain, renew and maintain requisite statutory and regulatory permits, licenses, and approvals for our operations from time to time may adversely affect our business.

We are required to maintain certain licenses, approvals, permits and registrations in order to undertake our business activities. We require such permissions in order to operate various of our branches and offices in India and must apply for renewals of such permissions from time to time, as required. For example, we are required to maintain labour licenses under various applicable central and state labour laws in force in India for our employees and also various shops and establishments registrations under the applicable provisions of the shops and establishments legislation of relevant states for our offices. While we have applied for certain licenses under both the respective legislations and rules made thereunder, notified by the central government and adopted with such modifications as deemed necessary by the respective state governments, applicable to us in certain locations in which we operate, of which some are currently pending and some may also be subject to intermittent applications for renewal. We cannot assure that we will be able to obtain such licenses in time and will not be subject to any penalty. We are also registered for GST registration under the CGST Act 2017, IGST Act 2017 and SGST Act 2017.

In addition, in the ordinary course of our business, we may apply for renewal of any relevant licenses, approvals, permits and registrations that may have expired. There can be no assurance that the relevant authorities will grant the required permissions or renew the expired licenses and approvals in the anticipated time-frame, on terms that are acceptable to us, or at all. Further, our branches may be inspected by various local, state level and central government authorities, who may, after such inspections, instruct us to comply with specific guidelines, impose penalties or even cancel our licenses. Additionally, our failure to comply with the terms and conditions to which such licenses, approvals, permits or registrations are subject or to renew, obtain or maintain the required licenses, approvals, permits or registrations may result in an interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations.

For further details in relation to the approvals, see "*Government and Other Approvals*" on page 328.

34. We have applied for registration of six trademarks under various classes, and there can be no assurance that we will be able to successfully register the trademarks, or that it will not be infringed upon.

Our trademarks are significant to our business and operations. We have applied for registration of trademarks under different classes for, "*CMS Connecting Commerce*", "*ALGO (label)*", "*CMS (label)*" and "*CMS Cash Index*". Further, we have also applied for registration of trademark "*CMS Simplifying Life*" (under class 9). There can be no assurance that we will be able to obtain registration of the trademarks applied for in our name, and such failure may materially and adversely affect our business, prospects, reputation and goodwill. For further details, see "*Government and Other Approvals – Intellectual property related approvals*" on page 329. Pending registration of these trademark applications, any third-party may claim on our trademark, which may have an adverse effect on our business, operations, financial results and reputation.

35. ***Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, financial condition, cash flows and results of operations.***

As of November 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, our total borrowings (which includes only fund-based indebtedness) were nil. Further, we had outstanding bank guarantees issued by banks of ₹2,898.92 million, ₹2,687.09 million, ₹1,782.77 million and ₹827.47 million as of November 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, respectively. In addition, our top five lenders in terms of total indebtedness under our various financing arrangements were Axis Bank, Yes Bank, Kotak Mahindra Bank, ICICI Bank and State Bank of India. Our ability to repay our outstanding borrowings and meet our debt service obligations will depend primarily on the cash generated by our business.

Our financing agreements all contain certain restrictive covenants that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition. We may be required to obtain an approval from our lenders for, among other things:

- effecting any change in the capital structure;
- undertaking any merger, de-merger, consolidation, reorganisation, scheme of arrangement or compromise;
- incurring major capital expenditure or incurring capital expenditure which is not in the ordinary course of business;
- prepaying loans;
- declaring dividends;
- change in the composition of the Board;
- investing, lending, extending advances or placing deposits with any other concern;
- entering into borrowing arrangements;
- creating any charges, lien or encumbrances over our assets;
- selling, assigning, mortgaging or disposing off any fixed assets charged to a lender;
- undertaking to guarantee obligations on behalf of a third-party;
- changing the ownership pattern or management structure of our Company or effecting any material changes in the management of the business; and
- making amendments to the Memorandum and Articles of Association.

Under these agreements, certain of the lenders also have the right to, inter-alia, impose penal and default interests, accelerate the maturity of our obligations and declare all amounts payable in respect of the facility to be due and payable immediately or otherwise on demand in the event of a default. Further, under the terms of our current agreements and any future agreements we enter into, any downgrading of the credit rating of our Company by a credit rating agency, any reduction in profits beyond a certain percentage or any adverse comment from the statutory auditors of our Company may qualify as an event of default under the relevant financing agreements. If we breach any financial or other covenants contained in any of our current or future financing arrangements, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. Our Company has obtained approvals from its lenders for the purposes of the Offer, as applicable.

There have been no past instances of non-compliance with any restrictive covenants agreed with our lenders in the past three fiscal years to date. However, this can be of no assurance that we will be able to meet our obligations, including financial and other covenants under current or future debt financing arrangements in the future. We cannot assure you that, in the event that any of our lenders exercise their contractual rights against under any of the financing agreements, we will have sufficient resources to repay the borrowings or take any of the other demanded actions or actions we are contractually obligated to take. In addition, certain of our financing arrangements contain cross default provisions which could automatically be triggered by defaults under other financing arrangements. We may be forced to sell some or all of our assets if we do not have sufficient funds or credit facilities to make repayments. Additionally, because some of our borrowings are secured against all or a portion of our assets, lenders may be able to sell those assets to enforce their claims for repayment. Our failure to meet our obligations under the debt financing agreements could have an adverse effect on our business, results of operations, cash flows and financial condition.

Our Company has provided corporate guarantees assuring repayment of certain loan facilities availed by our Subsidiary, SIPL. If any Subsidiary or any other guarantor under the loan facilities commits a default, or fails to meet their obligations under the facility agreements, there is a risk that the lender may enforce its rights against our Company (in addition to any rights it may have against our Subsidiaries). If any lender seeks the accelerated repayment of any such loan or is successful in enforcing any other rights against us, including enforcing the corporate guarantees and pledge on shares, there could be a material adverse effect on our business, financial condition and results of operations.

Our Company has also provided performance guarantees to certain of our customers, assuring performance by us and our subsidiaries, where relevant, of obligations owed under our customer contracts. If we or our subsidiaries, where relevant, commits a default under a customer contract, which we have guaranteed there is a risk that the customer may enforce its rights against our Company under the terms of the performance guarantee, which may materially adversely affect our business, financial condition and results of operations.

For more information on our borrowings, see "*Financial Indebtedness*" on page 285.

36. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and subsequent approval of shareholders and will depend on factors that our Board and shareholders deem relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. We cannot assure you that we will be able to pay dividends at any point in the future. See "*Dividend Policy*" on page 212.

37. Negative publicity about our name or brand could lead to a loss of revenues or profitability.

The services that we provide to banks and other customers form a critical function of their businesses, and accordingly, trust and reliability are of utmost importance. As a result, our reputation for delivering quality services that they can rely on is a key factor to the success of our business and our long-term relationships with many of our customers. For example, if we and/or our subsidiaries are associated with actual or perceived breaches of conduct, such as theft, embezzlement, fraud, unethical behaviour or reporting errors, and such behaviour is made public and publicised, as has occurred from time to time in the past, our brand and reputation could be adversely affected, resulting in us losing the trust of and business from our current customers or opportunities for business from new customers, which could have a material adverse effect on our business, reputation, ability to retain and increase market share, results of operations, cash flows and financial condition. In addition, the nature of our operations exposes us to the risk of additional public scrutiny and, in the event of material breach, as per the terms of our contracts, our customers have the right to publicize our name. As a result, any actual or perceived breaches of conduct, such as theft, embezzlement, fraud, unethical behaviour or reporting errors may receive significant and unfavourable publicity, which may adversely affect our reputation with existing and potential customers and consequently our business and financial condition. Our Company and SIPL have, from time to time, been mentioned in publicity in respect of various robberies of cash vans in India, and other criminal activities and incidents, including where we are not the subject of such incidents. There can be no assurance that we or our Subsidiaries will not be mentioned in any negative publicity in the future, or that we will not suffer any reputational damage as a result of being mentioned in any such publicity.

38. We have certain contingent liabilities that may adversely affect our financial condition.

As of August 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, our contingent liabilities were ₹561.60 million, ₹550.72 million, ₹392.61 million and ₹193.58 million, respectively. In the event that any of these contingent liabilities materialise, our results of operations and financial condition may be adversely affected.

As of August 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, we had the following contingent liabilities and commitments in accordance with Ind AS 37 – "Provisions, Contingent Liabilities and Contingent Assets":

Particulars	**As of August 31,**	**As of March 31,**		
	2021 (*in ₹ millions*)	**2021 (*in ₹ millions*)**	**2020 (*in ₹ millions*)**	**2019 (*in ₹ millions*)**
Disputed Customs matters *	92.65	87.91	42.78	42.78
Disputed VAT matters *	247.88	247.77	245.89	68.21
Disputed Excise matters *	69.03	69.03	69.03	69.03
Disputed CST matters *	7.61	6.56	6.30	-
Disputed GST matters *	0.82	0.82	28.61	13.56
Disputed Service tax matters *	11.21	7.05	-	-
Employee litigation matters	12.83	13.25	-	-
Disputed Income tax matter	119.57	118.33	-	-
Total	**561.60**	**550.72**	**392.61**	**193.58**

* In relation to the matters of GST, Service tax, Customs duty, VAT, CST, Income tax, Excise matters and Employee litigation matters as listed above, the Group 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 Group's financial position and results of operations. Further, in one of the matters of VAT (regarding the assessment for Fiscal Year 2014), the Joint Commissioner (Appeals)-III through an order dated October 4, 2021 upheld an appeal filed by our Company and set aside the order of the Assistant Commissioner, Special Circle-III, Ernakulam, which, among other things, had imposed an additional liability of ₹133.80 million on the Company.

For details, see "*Financial Statements – Annexure VI – Restated Ind As Consolidated Statement of Contingent Liabilities and Capital Commitments*" in accordance with the provisions of Ind AS–37 – "Provisions, Contingent Liabilities and Contingent Assets" on page 267.

39. We have had negative cash flows from investing activities in the last two years and negative cash flows from financing activities in the last three years and we may have negative cash flows in the future.

Set forth below is a table of selected information from our consolidated statements of cash flows for the five months ended August 31, 2021 and Fiscal Years 2021, 2020 and 2019:

	Five months ended August 31,	**Fiscal Year ended March 31,**		
	2021 (*in ₹ millions*)	**2021 (*in ₹ millions*)**	**2020 (*in ₹ millions*)**	**2019 (*in ₹ millions*)**
Net cash flow generated from operating activities	81.64	1,854.42	2,141.56	1,017.81
Net cash flow (used in)/from investing activities	(270.64)	(1,493.39)	(1,194.42)	61.89
Net cash flow from/(used in) financing activities	(247.98)	(617.19)	(576.17)	(523.95)

For the five months ended August 31, 2021, we had cash used in investing activities of ₹270.64 million, which primarily resulted from capital expenditures on purchase of property, plant and equipment and intangible assets of ₹990.45 million primarily in relation to installations of Brown Label ATMs for SBI, which was offset in part by net cash generated of ₹847.50 million in relation to investment in mutual funds and deposits with banks and ₹129.89 million on account of advance paid for acquisition of business. For Fiscal Year 2021, we had cash used in investing activities of ₹1,493.39 million, which primarily resulted from the net use of ₹991.62 million in cash in relation to investment in mutual funds and deposits with banks and capital expenditures on purchase of property, plant and equipment and intangible assets of ₹550.86 million primarily in relation to investment in Brown Label ATMs and the acquisition of certain ATMs from Logicash, among other investments. For Fiscal Year 2020, we had cash used in investing activities of ₹1,194.42 million, which primarily resulted from the net use of ₹362.73 million in cash in relation to investment in mutual funds and deposits with banks and capital expenditures on purchase of property, plant and equipment and intangible assets of ₹835.98 million primarily in relation to vehicle purchases and investments in Brown Label ATM, among other investments. We currently expect our future investing activities to include investments in mutual funds and deposits with banks and capital expenditures on purchase of property, plant and equipment and intangible assets, which may result in a net cash flow used in investing activities.

In addition, for the five months ended August 31, 2021, we had cash used in financing activities of ₹247.98 million, which primarily resulted from a payment of lease interest cost and principal portion of lease liability in the amount of ₹156.22 million and a dividend payment of ₹91.76 million. For Fiscal Year 2021, we had cash used in financing activities of ₹617.19 million, which primarily resulted from a dividend payment of ₹362.60 million, a payment of lease interest cost and principal portion of lease liability in the amount of ₹245.69 million. For Fiscal Year 2020, we had cash used in financing activities of ₹576.17 million, which primarily resulted from a dividend payment of ₹321.16 million and a payment of lease interest cost and principal portion of lease liability in the amount of ₹249.18 million. For Fiscal Year 2019, we had cash used in financing activities of ₹523.95 million, which primarily resulted from a dividend payment of ₹285.47 million and a payment of lease interest cost and principal portion of lease liability in the amount of ₹234.10 million. We currently expect our future financing activities to include dividend payments and payments of lease interest cost and principal portion of lease liability, which may result in a net cash flow used in financing activities.

For further details, see "*Financial Statements*" and "*Management's Discussion and Analysis of Results of Operations and Financial Condition*" on pages 213 and 290, respectively. We cannot assure you that our net cash flows will be positive in the future.

40. We may avail unsecured loans in the future, which may be recalled by the lenders at any time.

Although our Company has not availed any unsecured loans in Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021 and all of our non-fund based facilities in relation to bank guarantees issued by banks for those periods were all secured, our Company has in the past availed unsecured non-fund based facilities and may do so again in the future, which may, in accordance with terms generally apply, be recalled by the lenders at any time. In addition, our Promoter has not provided us with any unsecured loans. If one or more of the lenders recall the amounts provided under the facilities that they may advance to us, we may not have sufficient resources to repay the full amounts due and owing by us under those facilities. Any default by our Company in respect of its repayment obligations may also be an event of default under other of our facility agreements, which may trigger cross default provisions under other of our financing arrangements. Further, in the event that any lender seeks a repayment of any unsecured facility, we may need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to procure alternative sources of finance, we may not have sufficient working capital to undertake any planned or unplanned projects, or complete any existing projects that we are undertaking. As a result, any such demand may affect our business, cash flows, financial condition and results of operations.

41. We rely on contract labour for carrying out certain of our operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations and financial condition.

In order to retain flexibility and control costs, we appoint independent contractors who in turn engage contract labour for performance of certain of our operations in our business. Although we do not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractor to pay the labourers' wage payments. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition. In addition, under the CLRA, notified and enforced by the central government and adopted with such modifications as may be deemed necessary by the respective state governments, we may be required to absorb a number of such contract labourers as permanent employees. In the event of any non-compliance by contractors with statutory requirements, legal proceedings may be initiated against us. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations and financial condition.

42. Claims relating to death, personal injury claims or other operating risks associated with our vehicles that are not adequately insured may adversely affect our business, results of operations and financial condition.

As of March 31, 2019, 2020, 2021 and August 31, 2021, our fleet comprised of 3,840, 4,395, 3,911 and 3,965 cash vans, respectively. Our business is subject to various risks inherent with road transportation, including potential liability resulting from the death or bodily injury of our employees and/or personnel provided by our third-party service providers and third-party security service providers and/or members of the public due to accidents involving our cash vans. To the extent that we are liable as a result of any such accidents, and our insurance does not cover any or all of the costs associated with any relevant claims, we may be required to incur such costs ourselves, which would increase our expenses and which may adversely affect our business, results of operations, cash flows and financial condition. We have taken adequate insurance coverage required under the Motor Vehicle Act and there are no major past instances of claims exceeding the liability insurance cover over the last three financial years. However, we cannot provide assurance that any such claims may not occur in the future and the cover may also not be adequate to cover the liability ascertained by the relevant authorities under the Motor Vehicles Act.

43. We do not own the land or premises for our Registered Office or our branches, which is held by us on lease. Such lease may be terminated or not renewed on commercially acceptable terms, which may have an adverse effect on our business, financial condition and results of operations.

As of August 31, 2021, our operations were spread across India through our 238 branches and offices, including our administrative offices in Mumbai, Delhi and Chennai, from where we carry out key management operations. Each of our branches and offices, are operated from leased premises, except for our Registered Office, which is located on premises held on long-term lease basis by one of our subsidiaries, CMS Securitas Limited, from a third party. Given the nature of our business, with small branches spread across India, from time to time we open and close branches and as a result may enter into new leases for branches and may not renew others upon expiration. Prior to or upon the expiration of our leases, we are able to renew the leases at our discretion based on terms and conditions that are mutually agreed between us and the landlords of the relevant properties. For example, lease for our branch at Chennai has expired and is in the process of being renewed. The lease arrangements for our branches are for periods that range from one to five years, while our Registered Office is under a long-term lease for 60 years, expiring in 2066, and our administrative offices typically have leases with terms of up to nine years. Upon expiration of the agreement for our Registered Office, CMS Securitas Limited will be required to negotiate the terms and conditions on which the lease agreement may be renewed, which will be subject to mutual agreement between us and the landlord of the property. We cannot assure you that CMS Securitas Limited will be able to renew this agreement on commercially reasonable terms, in a timely manner, or at all.

Termination of our lease may occur for reasons beyond our control. If we or our current or future landlords breach the lease agreements, we may have to relocate to alternative premises or shut down our operations at that site. Relocation of any part of our operations may cause disruptions to our business, in particular with respect to our Registered Office, and may require significant expenditure. We cannot assure you that in such a case, we will be able to find suitable premises on commercially reasonable terms in a timely manner, if at all, or we may have to pay significantly higher rent or incur additional expenses toward installing necessary furniture, fittings, fixtures, and security systems. Occurrence of any of these may materially and adversely affect our business, financial condition and results of operations.

In the event that our existing lease for our Registered Office is terminated or not renewed on commercially acceptable terms, or at all, we may suffer a disruption in our operations. If alternative premises are not available at the same or similar costs, size or locations, our business, financial condition and results of operations may be adversely affected.

44. ***The market price of our Equity Shares may be adversely affected by additional issuances of equity or equity-linked securities by us resulting in dilution of your shareholding. Further, any sale of Equity Shares by a significant shareholder and related transactions may adversely affect the trading price of the Equity Shares.***

Any issuance of the equity or equity-linked securities by us, including through exercise of employee stock options pursuant to the ESOP Schemes may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. No assurance may be given that we will not issue additional Equity Shares. In this regard, our Board and shareholders have approved employee stock option plans, under which we have granted an aggregate of 17,761,433 stock options under the CEO ESOP 2016, Management ESOP 2016 and Employee ESOP 2016, of which 1,045,495 options under the Employee ESOP 2016 have been forfeited as of the date of this Prospectus. Rajiv Kaul, our Executive Vice Chairman, Chief Executive Officer and Whole Time Director may sell certain shares, as allotted, pursuant to exercise of stock options within three months of listing. For further details, see "*Capital Structure – Employee Stock Option Plans*" on page 85.

Although the pre-Offer shareholding of the shareholders (except Equity Shares allotted pursuant to exercise of employee stock options) is subject to lock-in as per applicable provisions of the SEBI ICDR Regulations, disposal of a large number of Equity Shares by any significant shareholder of our Company after the expiry of the lock-in periods could adversely affect the market price of the Equity Shares. Our employees may also choose to exercise the vested options and subsequently sell the Equity Shares upon listing. For further details in relation to sale of Equity Shares arising from exercise of ESOPs, please see "*Capital Structure – Employee Stock Option Plans*" on page 85. Any perception by investors that such issuances or sale might occur could also affect the trading price of the Equity Shares. In addition, Rajiv Kaul, our Executive Vice Chairman, Chief Executive Officer and Whole Time Director, has also entered into an agreement dated September 26, 2017 with Vault L.P, which entitles him to receive from Vault L.P. certain amounts equivalent to 0.61% of the value of our Company, subject to various adjustments. For further details, see "*Our Management – Service Contracts with Directors*" on page 191.

45. ***Our Promoter does not have adequate experience and has not actively participated in the business activities we undertake, which may have an adverse impact on the management and/or operations of our Company.***

Our Promoter does not have adequate experience and has not actively participated in the business activities undertaken by us. For further details of our Promoter, see "*Our Promoter and Promoter Group*" on page 208. We cannot assure you that this lack of adequate experience will not have any adverse impact on the management and/or operations of our Company.

46. ***We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.***

We have entered into various transactions with related parties, such as incurring of service charges, reimbursement of power, electricity and maintenance, loans incurred etc . While we believe that all such transactions have been conducted on an arm's length basis and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. For details on our related party transactions, see "*Financial Statements*" on page 213. We cannot assure you that such transactions, individually or in the aggregate, even if entered into at arms-length terms, will always be in the best interests of our shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition.

B. EXTERNAL RISKS

47. A slowdown in economic growth in India or global economic instability could result in an adverse effect on our business, financial condition and results of operations.

We currently operate primarily in India, which is generally viewed as a jurisdiction with a developing economy, that may not have as firmly established legal and regulatory systems as other countries, and are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the overall performance of the Indian economy, the GDP growth rate in India and the economic cycle in India. Covid-19 had a severe impact (such as affecting GDP growth) on all major economies in the world, including India in 2020. India's GDP growth rate was negative 8.0% in 2020 but is estimated to increase to 9.5% in 2021. India's GDP is expected to grow approximately 7.9% per year from 2020 to 2024, compared to global growth of 2.5% per year for the same period (Source: IMF; Frost & Sullivan)

In addition, according to the GoI Monthly Economic Reports for June 2021 and 2020, respectively, the Wholesale Price Index ("**WPI**") headline inflation rate for the month of June 2021 was 12.07% as compared to negative 0.25% in July 2020. In periods prior to Fiscal Year 2020, India experienced a slowdown in economic growth due to a variety of factors, including the COVID-19 pandemic, unsustainably high current account deficit, capital outflows and consequent exchange rate pressures. Despite the recent signs of an economic turnaround in the Indian economy, there is no assurance that growth will not slow down again or that inflation will not increase further in the future. A slowdown in the Indian economy could adversely affect our business and our customers and contractual counterparties, especially if such a slowdown were to be continued and prolonged. In periods of high rates of inflation, our operating expenses may increase which could have an adverse effect on our cash flows and results of operations.

Generally, economic growth in India is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional or global economies, as during these periods there may be less cash in circulation and less cash-based transactions, which can reduce the demand for our services. Any decrease in the demand for our services may adversely affect our revenue, margins, cash flows and results of operations.

Further, in light of the increasing linkage of the Indian economy to other global economies, the Indian economy is increasingly influenced by economic developments and volatility in securities markets in other countries. Global slowdown of the financial markets and economies has in the past contributed to weakness in the Indian financial and economic environment. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. These economies could be adversely affected by various factors, such as political and regulatory changes including adverse changes in liberalisation policies, social disturbances, religious or communal tensions, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. The global credit markets have continued to experience significant volatility in recent years, which have had, and may continue to have, a significant adverse effect on the availability of credit and the confidence of the financial markets, globally as well as in India. The global economic downturn led to an increased level of consumer delinquencies, lack of consumer confidence, decreased market valuations and liquidity, increased market volatility and a widespread reduction of business activity generally.

The resulting economic pressure and dampened consumer sentiment may adversely affect our business and our results of operations. A recession in the United States and other countries in the developed world and a slowdown in economic growth in markets such as China could also have an adverse effect on economic growth in India, which could in turn adversely affect our business, results of operations, cash flows and financial condition.

Other specific country risks that may have a material adverse effect on our business, financial condition and results of operations are:

- political instability, riots or other forms of civil disturbance or violence;
- war, terrorism, invasion, rebellion or revolution;
- government interventions, including expropriation or nationalisation of assets, increased protectionism and the introduction of tariffs or subsidies;
- changing fiscal and regulatory regimes;
- arbitrary or inconsistent Government action;
- inflation in local economies;
- cancellation, nullification or unenforceability of contractual rights; and
- underdeveloped industrial and economic infrastructure.

Additionally, changes in investment policies or shifts in the prevailing political climate in any of the countries in which we operate, or seek to operate, could result in the introduction of changes to Government regulations with respect to:

- price controls;
- export and import controls;
- income and other taxes;
- foreign ownership restrictions;
- foreign exchange and currency controls; and
- labour and welfare benefit policies.

Unexpected changes in these policies or regulations could have a material adverse effect on our business, financial condition and results of operations.

48. If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our customers and our profits might decline.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. inflation pressures remained elevated in the recent past, with inflation excluding food and fuel at 6.0 per cent in February 2021, according to the RBI’s Monetary Policy Report of April 2021, with three months and one year ahead median inflation expectations of urban households rose by 80 basis points and 10 basis points, respectively, in the March 2021 round of the RBI's survey in tandem with higher food and oil prices. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, certain of our contracts with customers are for multiple years, particularly with respect to our remote monitoring business, where prices are fixed and we may become exposed to margin pressure in a high inflation environment since our input costs related to wages, materials, utilities and other expenses may go up while the revenue we generate from these contracts remains constant on a fixed price basis. With respect to other contracts, we may also not be able to reduce our costs or increase the prices of our services at a proportional rate in order to pass the increase in costs on to our customers. In such cases, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

49. Political instability or a significant change in the Government's economic liberalisation and deregulation policies could adversely affect our business and the price of our Equity Shares.

Our business and customers are primarily located in India, and we currently derive all of our revenues from operations in India and all of our assets are located in India. Consequently, our performance, market price and liquidity of our Equity Shares may be affected by changes in control, government policies, taxation, social, instability, civil unrest and other political and economic developments affecting India. The GoI has traditionally exercised, and continues to exercise, significant influence over many aspects of the economy. Government policies could adversely affect business and economic conditions in India, as well as our ability to implement our strategy and our future financial performance. Our business is also impacted by regulations and conditions in the various states in India where we operate.

Since 1991, successive Indian governments have pursued policies of economic liberalisation. The current GoI has announced that its general intention is to continue India's current economic and financial sector liberalisation and deregulation policies, including significantly relaxing restrictions on the private sector and encouraging the development of the Indian financial sector. However, there can be no assurance that such policies will be continued. A significant change in the GoI's policies could result in an adverse effect on our business, financial condition and results of operations. The rate of economic liberalisation could change and specific laws and policies affecting foreign investment, currency exchange and other matters affecting investment in our securities could change as well. Any significant change in India's economic liberalisation and deregulation policies could adversely affect business and economic conditions in India generally and our business in particular.

50. Regional hostilities, terrorist attacks, social unrest, natural or man-made disasters and other similar threats to security and events outside our control could adversely affect our business.

Certain parts of India have experienced localised hostilities, terrorist attacks and social unrest, in particular in districts that are prone to Naxalite violence and disturbances. Given the broad scale of our pan-India operations, we operate and have branches in a number of districts where historically such violence and disturbances have occurred and therefore may have a greater exposure to the risks of operating in these areas than our competitors. If violence and disturbances occurs or becomes more widespread in any of these districts, our ability to operate in those districts or the affected areas could be limited, which could adversely affect the revenue we generate from those districts. India has, from time to time, experienced terrorist attacks, instances of civil unrest and political tensions and hostilities among neighbouring countries. Political tensions could create a perception that an investment in Indian companies involves higher degrees of risk and have an adverse effect on our business and the price of our Equity Shares Any unexpected changes in the political, social, economic or other conditions in India, or in neighbouring countries, could also have a material adverse effect on our business, financial condition and results of operations. Further, there can be no assurance that we will not be the target of terrorist attacks in the future. Such attacks may be directed at our property or personnel or at ATMs and other property belonging to our customers or at state-owned infrastructure and the general population. Such attacks, or the threat of such attacks, whether or not successful, may disrupt our operations or those of our customers and the delivery of our services, result in increased costs for security and insurance and may put our assets and personnel at risk and adversely affect our business, results of operations, financial condition and prospects. Events such as these have also historically had an adverse effect on the Indian economy and may do so again in the future, which could in turn adversely affect our business, results of operations, cash flows and financial condition.

In addition, certain of our assets and business operations, including our offices and branches are located in areas that may be impacted by natural disasters such as fires, earthquakes, water shortage, droughts and floods. Since all of our operations and workforce are located in India and there can be no assurance that we will not be affected by natural disasters that occur in India in the future. If any such event were to occur, our business could be affected due to the event itself or due to our inability to effectively manage the effects of the particular event. Potential effects include the damage to our network of branches and fleet of cash vans, the loss of customer property and valuables, or the loss of business continuity and any such event could also have an adverse effect on the financial markets and India's economy. Any disruption of our operations at any of our locations could result in a material adverse effect on our ability to service our customers, and in turn, our business, financial condition and results of operations.

51. ***Significant differences exist between Ind AS and other accounting principles, such as, IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition.***

We are required to prepare annual and interim financial statements under Ind AS as required under Section 133 of the Companies Act 2013. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS, notified under Section 133 of the Companies Act, 2013. Accordingly, the degree to which the Ind AS financial statements, which are restated as per SEBI ICDR Regulations included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited.

52. ***We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.***

The Competition Act, 2002, as amended (the "**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and may result in the imposition of substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or number of customers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished.

On March 4, 2011, the GoI issued and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (the "**CCI**"). Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India. The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect on competition in India. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India.

The applicability or interpretation of the Competition Act to any merger, amalgamation or acquisition proposed or undertaken by us, or any enforcement proceedings initiated by CCI for alleged violation of provisions of the Competition Act may adversely affect our business, financial condition or results of operation. We cannot assure you that we will be able to obtain approval for any future acquisitions on satisfactory terms, or at all. If we are affected directly or indirectly by the application or interpretation of any provision of the Competition Act or any proceedings initiated by the CCI or any other relevant authority (or any other claim by any other party under the Competition Act) or any adverse publicity that may be generated due to scrutiny or prosecution under the Competition Act, including by way of financial penalties, our reputation may also be materially and adversely affected.

53. Our ability to raise foreign capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under the Foreign Exchange Management Act (the "**FEMA**") and the rules thereunder. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. Additionally, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Further, limitations on foreign debt may have an adverse effect on our business, results of operations, cash flows and financial condition.

54. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Foreign ownership of Indian securities is subject to Government regulation. Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the pricing and reporting requirements specified under applicable laws. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified under such applicable laws, then prior regulatory or government approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the Department for Promotion of Industry and Internal Trade and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular term or at all. For further details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 368.

55. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our business.

India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of the Equity Shares.

56. We have commissioned and paid for an industry report from Frost & Sullivan specifically for the purpose of the Offer, which have been used for industry related data in this Prospectus.

Certain information in this Prospectus has been derived from industry sources including an industry report entitled "Assessment of Cash Management Services Market in India" dated October 25, 2021 that we have commissioned Frost & Sullivan to prepare. Frost & Sullivan has advised that while it has taken due care and caution in preparing the commissioned report, which is based on information obtained from sources that it considers reliable, it does not guarantee the accuracy, adequacy or completeness of such information and disclaims responsibility for any errors or omissions in the information or for the results obtained from the use of such information. The commissioned report also highlights certain industry and market data and uses certain methodologies for market sizing and forecasting, which may be subject to assumptions. Accordingly, investors should read the industry-related disclosure in this Prospectus in this context. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on, or base their investment decisions solely on such information. For further information, see "*Industry Overview*" on page 112 and "*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data*" on page 21.

C. RISKS RELATING TO THE EQUITY SHARES AND THE OFFER

57. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. RIBs can revise or withdraw their Bids during the Bid/Offer Period. While our Company is required to complete all necessary formalities for listing and commencement of trading of our Equity Shares on the Stock Exchanges where such Equity Shares are proposed to be listed and the Allotment pursuant to the Offer within such period as may be prescribed under applicable law, events affecting the Bidders' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

58. Future sales of Equity Shares by our Promoter may adversely affect the market price of the Equity Shares.

After the completion of the Offer, our Promoter will own, directly, more than 51.00% of our outstanding Equity Shares. Upon expiry of the lock-in period provided under the SEBI ICDR Regulations, our Promoter will be eligible to sell part or all of the Equity Shares held by it. Future sales of a large number of the Equity Shares by our Promoter, either in one sale or over a series of sales, could adversely affect the market price of the Equity Shares. Similarly, the perception that any such primary or secondary sale may occur could adversely affect the market price of the Equity Shares. No assurance may be given that our Promoter will not dispose of, pledge, or encumber their Equity Shares in the future, or that the market price of the Equity Shares will not be adversely affected by any such disposal, pledge, or encumbrance of their Equity Shares.

59. You will not be able to sell immediately on an Indian stock exchange any of the Equity Shares you purchase in the Offer.

The Equity Shares will be listed on the Stock Exchanges. Pursuant to the applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or "demat" accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately six Working Days from the Bid Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within six Working Days of the Bid Closing Date.

There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

60. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

61. Investors bear the risk of fluctuation in the price of the Equity Shares.

There has been no public market for the Equity Shares prior to the Offer and the trading price of the Equity Shares may fluctuate after the Offer. The Offer Price of the Equity Shares in this Offer has been determined by us in consultation with the BRLMs pursuant to the Book Building Process, and it may not necessarily be indicative of the market price of the Equity Shares after the Offer is complete. You may be unable to resell your Equity Shares at or above the Offer Price and, as a result, you may lose all or part of your investment. Following the Offer, the Equity Shares are expected to trade on the Stock Exchanges; however, there can be no assurance that active trading in the Equity Shares will develop after the Offer or, if such trading develops, that it will continue. Investors may not be able to rapidly sell the Equity Shares at the quoted price if there is no active trading in the Equity Shares.

In addition, the price at which the Equity Shares will trade after this Offer will be determined by the marketplace and may be influenced by many factors, including:

- our financial condition and financial performance;
- the history of, and the prospects for, our business and the cash management industry;
- an assessment of our management, our past and present operations, and the prospects for, and timing of, our future revenues and cost structures;
- any analyst reports in respect of our Company;
- the present state of our development; and
- the valuation of publicly traded companies that are engaged in business activities similar to ours.

Further, the Stock Exchanges have from time to time experienced significant price and volume fluctuations that have affected the market prices for the securities of Indian companies. As a result, investors in the Equity Shares may experience a decrease in the value of the Equity Shares regardless of our operating performance or prospects. The market price of our Equity Shares may fluctuate due to the volatility of the Indian securities market and may be more volatile than the securities markets in other countries.

62. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results.

63. Any future issuance of Equity Shares by us may dilute your shareholding and adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares or securities linked to the Equity Shares by us may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. No assurance may be given that we will not issue additional Equity Shares.

64. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.

A public company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted.

65. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax (**"STT"**) has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realised on the sale of equity shares held for more than 12 months, which are sold other than on a recognised stock exchange and on which no STT has been paid to an Indian resident, will be subject to long-term capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. However, capital gains on the sale of our Equity Shares purchased in the offer by residents of certain countries will not be taxable in India by virtue of the provisions contained in the taxation treaties between India and such countries.

66. Investors may not be able to enforce a judgment of a foreign court against us, our Directors, the Book Running Lead Managers or any of their directors and executive officers in India respectively, except by way of a law suit in India

Our Company is incorporated under the laws of India. Our Company's assets are located in India and all of our Company's Directors and Key Managerial Personnel are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian public policy or if judgments are in breach or contrary to Indian law.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 ("**CPC**"). India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, which includes, the United Kingdom, Singapore, United Arab Emirates and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the CPC. The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in a non-reciprocating territory, such as the United States, for civil liability, whether or not predicated solely upon the general laws, including securities laws of the non-reciprocating territory, including United States, would not be enforceable in India under the CPC as a decree of an Indian court.

The United Kingdom, Singapore, United Arab Emirates and Hong Kong have been declared by the Government of India to be reciprocating territories for purposes of Section 44A of the Civil Code. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognise the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. The CPC only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court.

However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered.

67. Our Equity Shares have never been publicly traded and may experience price and volume fluctuations following the completion of the Offer, an active trading market for the Equity Shares may not develop, the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Offer Price or at all.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for our Equity Shares will develop or, if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares has been determined through a book building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Offer could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Prospectus. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

SECTION III: INTRODUCTION

THE OFFER

The following table sets forth details of the Offer:

Equity Shares Offered	
The Offer consists of:	
Offer of Equity Shares by way of Offer for Sale by the Promoter Selling Shareholder(1)(2)	50,925,925* Equity Shares, aggregating to ₹11,000 million
which consists of:	
A) QIB Portion(3)	Not more than 25,462,962* Equity Shares
of which:	
- Anchor Investor Portion	15,277,777* Equity Shares
- Net QIB Portion	10,185,185* Equity Shares
of which:	
- Mutual Fund Portion (5% of the Net QIB Portion)	509,260* Equity Shares
- Balance for all QIBs including Mutual Funds	9,675,925* Equity Shares
B) Non-Institutional Portion	Not less than 7,638,889* Equity Shares
C) Retail Portion	Not less than 17,824,074* Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to and after the Offer	148,000,000 Equity Shares
Use of Offer proceeds of the Offer	See "*Objects of the Offer*" on page 102 for information about the use of the proceeds from the Offer. Our Company will not receive any proceeds from the Offer for Sale.

(1) *The Offer has been approved by our Board of Directors pursuant to the resolution passed at its meeting dated August 10, 2021.*

(2) *The Equity Shares offered by the Promoter Selling Shareholder are eligible for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For further details, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 330.*

(3) *Our Company and the Promoter Selling Shareholder in consultation with the BRLMs, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion was accordingly reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. 5% of the Net QIB Portion was available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. For details, see "Offer Procedure" on page 351.*

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* *Subject to finalisation of Basis of Allotment.*

Allocation to all categories, except the Anchor Investor Portion and the Retail Portion, was made on a proportionate basis subject to valid Bids received at or above the Offer Price, as applicable. The allocation to each Retail Individual Bidder was not less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. For further details, see "*Offer Procedure*" on page 351. For details of the terms of the Offer, see "*Terms of the Offer*" on page 344. For details, including in relation to grounds for rejection of Bids, refer to "*Offer Structure*" and "*Offer Procedure*" on pages 349 and 351, respectively.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from the Restated Financial Information for the five months period ended August 31, 2021 and years ended March 31, 2021, March 31, 2020 and March 31, 2019. The summary financial information presented below should be read in conjunction with "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 213 and 290.

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RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES INFORMATION

(*in ₹ million*)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
ASSETS				
Non-current assets				
Property, plant and equipment	2,221.02	1,897.00	1,206.13	803.52
Capital work-in-progress	187.54	226.81	28.86	4.01
Right-of- use assets	1,401.00	1,210.79	838.59	812.74
Goodwill	2,033.63	2,033.63	2,033.63	2,033.63
Other Intangible assets	161.93	189.54	183.36	164.23
Intangible assets under development	1.99	4.66	10.47	21.48
Financial assets				
-Investments	0.08	0.08	0.08	0.08
-Other financial assets	245.22	259.07	246.49	280.21
Deferred tax assets (net)	334.05	247.83	272.96	337.68
Income tax assets (net)	-	99.34	196.54	249.26
Other non-current assets	302.20	146.11	113.70	58.42
Total of Non-current assets (A)	**6,888.66**	**6,314.85**	**5,130.81**	**4,765.26**
Current assets				
Inventories	564.97	894.73	430.44	416.38
Financial assets				
-Investments	615.29	1,122.55	566.23	115.70
-Trade receivables	5,553.67	5,007.19	4,486.15	3,905.95
-Cash and cash equivalents	898.16	1,335.14	1,591.30	1,220.34
-Bank balances other than above	407.44	610.34	314.19	171.68
-Other financial assets	58.71	40.89	27.74	17.76
Other current assets	793.96	792.42	780.53	313.97
Total of Current assets (B)	**8,892.20**	**9,803.25**	**8,196.57**	**6,161.78**
Total (A + B)	**15,780.86**	**16,118.10**	**13,327.38**	**10,927.04**
EQUITY AND LIABILITIES				
Equity and liabilities				
Equity				
(a) Equity share capital	1,480.00	1,480.00	1,480.00	1,480.00
(b) Other equity	9,113.69	8,364.76	7,023.91	5,978.98
Total equity attributable to equity holders (C)	**10,593.69**	**9,844.76**	**8,503.91**	**7,458.98**
Non-current liabilities				
(a) Financial liabilities				
(i) Other financial liabilities	1,105.63	945.38	633.66	599.12
(b) Provisions	195.16	191.01	190.96	168.24
Total of Non-current liabilities (D)	**1,300.79**	**1,136.39**	**824.62**	**767.36**
Current liabilities				
(a) Financial liabilities				
(i) Lease liabilities	366.88	320.97	231.50	243.49
(ii) Trade payables				
1. Dues of micro enterprises and small enterprises	51.83	45.27	100.37	11.09
2. Dues of creditors other than micro enterprises and small enterprises	2,284.58	3,016.28	2,569.14	1,615.83
(iii) Other financial liabilities	847.83	1,410.44	613.38	593.54
(b) Other current liabilities	229.81	314.77	457.74	193.60
(c) Provisions	29.83	29.22	26.72	43.15
(d) Income tax liabilities (net)	75.62	-	-	-

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Total of Current liabilities (E)	**3,886.38**	**5,136.95**	**3,998.85**	**2,700.69**
Total (C+D+E)	**15,780.86**	**16,118.10**	**13,327.38**	**10,927.04**

RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS INFORMATION

(*in ₹ million*)

Particulars	For the five months period ended August 31, 2021	For the Fiscal ended March 31, 2021	For the Fiscal ended March 31, 2020	For the Fiscal ended March 31, 2019
Income				
Revenue from operations	6,262.94	13,060.90	13,832.38	11,461.59
Other income				
-Finance income	16.12	59.19	29.28	14.38
-Others	18.17	99.12	21.28	117.22
Total income	**6,297.23**	**13,219.21**	**13,882.94**	**11,593.19**
Expenses				
Purchase of traded goods	432.68	2,069.54	1,814.60	1,005.60
(Increase) / Decrease in inventories	280.10	(273.06)	98.58	(113.90)
Employee benefit expenses	904.93	2,015.84	2,193.53	2,134.78
Finance costs	50.73	82.32	73.15	74.49
Depreciation and amortisation expense	345.88	634.55	565.87	537.15
Other expenses	3,148.58	6,312.52	7,186.61	6,455.78
Total expenses	**5,162.90**	**10,841.71**	**11,932.33**	**10,093.90**
Profit before tax	**1,134.33**	**2,377.50**	**1,950.61**	**1,499.29**
Tax expense				
Current tax	376.30	654.46	540.83	542.60
Adjustment of tax relating to earlier years	-	11.90	5.21	(1.40)
Deferred tax charge / (credit)	(86.67)	25.91	57.48	(3.32)
Total tax expense	**289.63**	**692.27**	**603.52**	**537.88**
Profit for the period/year attributable to equity shareholders	**844.70**	**1,685.23**	**1,347.09**	**961.41**
Other comprehensive income ('OCI')				
Items that will not be reclassified subsequently to the statement of profit or loss				
Remeasurement gain/(losses) on defined benefit plans	0.63	(2.20)	(14.11)	(1.18)
Income tax effect	(0.44)	0.81	2.86	(0.23)
Other Comprehensive income for the period/year, net of tax	**0.19**	**(1.39)**	**(11.25)**	**(1.41)**
Total Comprehensive Income for the period/year	**844.89**	**1,683.84**	**1,335.84**	**960.00**

RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS INFORMATION

(*in ₹ million*)

Particulars	For the five months period ended August 31, 2021	For the Fiscal ended March 31, 2021	For the Fiscal ended March 31, 2020	For the Fiscal ended March 31, 2019
Cash flow from operating activities:				
Profit before tax	1,134.33	2,377.50	1,950.61	1,499.29
				-
Adjustments to reconcile profit before tax to net cash flow:				-
Depreciation and amortisation on Property, plant and equipment and Intangible asset	224.44	412.97	357.44	342.18
Depreciation on Right-of-use assets	121.44	221.58	208.43	194.96
Unrealised foreign exchange (gain) / loss	(1.04)	(3.32)	1.73	(8.94)
Lease rent concession	-	(20.07)	-	-
Impairment allowance for bad and doubtful receivables and deposits	287.00	206.00	133.60	235.55
Advances written off	-	-	88.17	-
Bad debts written off	3.33	222.78	387.48	50.32
Debit balance written off	13.01	1.08	4.69	-
(Profit) on disposal of property, plant and equipment (net)	(1.64)	(1.40)	(3.73)	(3.72)
Sundry balances written back	-	(52.76)	(0.29)	(51.17)
Impairment for doubtful claims receivables	4.33	-	33.76	14.01
Bad debts written back	-	-	-	(3.33)
Insurance claims receivables written off	2.12	0.79	-	-
Finance income	(16.12)	(53.06)	(20.28)	(14.38)
Profit on sale of current investments	(8.36)	(7.65)	(12.92)	(30.83)
Net change in fair value of current investments measured at FVTPL	(4.90)	(3.91)	(4.28)	(1.53)
Employee stock option compensation cost	(4.20)	19.61	10.48	43.26
Finance costs	50.73	82.32	73.15	74.49
Operating profit before working capital changes	**1,804.47**	**3,402.46**	**3,208.04**	**2,340.16**
Movement in working capital				
Increase in trade payables and other liabilities	(866.10)	282.54	1,325.08	351.95
Increase / (Decrease) in provisions	5.38	0.35	(7.81)	24.42
(Increase) in inventories	329.76	(464.29)	(14.06)	(179.91)
(Increase) in trade receivables	(836.80)	(949.82)	(1,101.28)	(909.91)
(Increase) in other assets and prepayments	(153.73)	152.34	(775.13)	(7.97)
Cash flow generated from operations	**282.98**	**2,423.58**	**2,634.84**	**1,618.74**
Direct taxes paid (net of refunds)	(201.34)	(569.16)	(493.28)	(600.93)
Net cash flow from operating activities (A)	**81.64**	**1,854.42**	**2,141.56**	**1,017.81**
Cash flow from investing activities:				
Proceeds from sale of property, plant and equipment	2.21	49.09	4.29	3.98
Purchase of property, plant and equipment, intangible assets (including CWIP and capital advances)	(990.45)	(550.86)	(835.98)	(313.08)
Purchase consideration paid on acquisition of business	(129.89)	-	-	(391.04)
Investment in mutual funds	(2,214.88)	(3,356.82)	(3,830.00)	(2,813.82)
Proceeds from redemption of mutual funds	2,735.40	2,812.05	3,396.66	3,646.34
Investment in deposits with banks	(127.82)	(2,521.90)	(202.89)	(128.88)
Proceeds from maturity of deposits with banks (including interest)	454.80	2,075.05	273.50	58.38
Net cash flow (used in) / from investing activities (B)	**(270.64)**	**(1,493.39)**	**(1,194.42)**	**61.89**
Cash flows from financing activities				
Dividend paid	(91.76)	(362.60)	(321.16)	(285.47)
Finance costs	-	(8.88)	(5.83)	(4.38)
Finance costs on lease liability	(50.73)	(73.44)	(67.32)	(69.01)

Particulars	For the five months period ended August 31, 2021	For the Fiscal ended March 31, 2021	For the Fiscal ended March 31, 2020	For the Fiscal ended March 31, 2019
Payment of principal portion of lease liabilities (Refer note 22 to Annexure VI)	(105.49)	(172.25)	(181.86)	(165.09)
Net cash flow (used in) financing activities (C)	**(247.98)**	**(617.19)**	**(576.17)**	**(523.95)**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	**(436.98)**	**(256.16)**	**370.97**	**555.75**
Cash and cash equivalents at the beginning of the year	1,335.14	1,591.30	1,220.33	664.58
Cash and cash equivalents at the end of the year (Refer note below)	**898.16**	**1,335.14**	**1,591.30**	**1,220.33**
Components of cash and cash equivalents:				
Cash on hand	9.00	6.94	11.71	6.29
Balance with current accounts	424.72	927.98	708.43	526.58
In deposits account with original maturity of less than three months	464.44	400.22	871.16	687.46
Total	**898.16**	**1,335.14**	**1,591.30**	**1,220.33**

GENERAL INFORMATION

Our Company was originally incorporated as 'Subhiksha Realty Private Limited', at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated March 26, 2008 issued by the RoC. The name of our Company was subsequently changed to 'CMS Info Systems Private Limited' pursuant to a fresh certificate of incorporation granted by the RoC on December 10, 2008. Thereafter, our Company was converted into a public limited company pursuant to a special resolution passed in the extra ordinary general meeting of the Shareholders held on December 24, 2014 and the name of our Company was changed to our present name 'CMS Info Systems Limited', pursuant to a fresh certificate of incorporation issued by the RoC on January 27, 2015. For more information regarding changes in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 177.

Registered Office of our Company

The address and certain other details of our Registered Office is as follows:

CMS Info Systems Limited
T-151, 5th Floor, Tower No. 10,
Sector-11, Railway Station Complex,
CBD Belapur, Navi Mumbai,
Thane – 400614, Maharashtra
Telephone: +91 22 4889 7400
Website: www.cms.com

For details of change in the registered office of our Company, see *"History and Certain Corporate Matters – Changes in the registered office*" on page 177.

Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are as follows:

a. Registration number: 180479
b. Corporate identity number: U45200MH2008PLC180479

The Registrar of Companies

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai, which is situated at the following address:

100, Everest, 5th Floor
Marine Lines
Mumbai – 400002
Maharashtra

Board of Directors

The following table sets out the brief details of our Board as on the date of this Prospectus:

Name	Designation	DIN	Address
Shyamala Gopinath	Chairperson and Independent Director	02362921	Flat No. 1103, B Wing, Girnar Heights, Bhakti Park, Wadala (E), Mumbai - 400 037, Maharashtra, India
Rajiv Kaul	Executive Vice Chairman, Whole Time Director and CEO	02581313	802, Signia Isles, G block, BKC, Bandra East, Mumbai – 400 051. Maharashtra, India
Jimmy Lachmandas Mahtani*	Non-Executive Director	00996110	1 Chatsworth Road, No. 20-23, Singapore – 249 745, Singapore
Ashish Agrawal*	Non-Executive Director	00163344	D-3403, Ashok Towers, Dr. Babasaheb Ambedkar Road, Opp. Bharat Mata

Name	Designation	DIN	Address
			Cinema, Parel, Mumbai – 400 012, Maharashtra, India
Tapan Ray	Independent Director	00728682	Bungalow no. K-518, Sector 20, Gandhinagar – 382 021, Gujarat, India
Krzysztof Wieslaw Jamroz	Non-Executive Director	07462321	1005, Bucida Road, Delray Beach, Florida - 33483 0000, United States of America

**Nominated to our Board by our Promoter.*

For further details of our Board of Directors, see "*Our Management*" on page 188.

Company Secretary and Compliance Officer

Praveen Soni is the Company Secretary and Compliance Officer our Company. His contact details are as follows:

Praveen Soni
T-151, 5th Floor, Tower No.10
Sector-11, Railway Station Complex
CBD Belapur, Navi Mumbai
Thane – 400 614, Maharashtra
Telephone: +91 22 4889 7400
E-mail: cms.ipo@cms.com

Registrar to the Offer
Link Intime India Private Limited
C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg
Vikhroli (West)
Mumbai – 400 083, Maharashtra
Telephone: +91 22 4918 6200
Email: cmsinfo.ipo@linkintime.co.in
Investor grievance e-mail: cmsinfo.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact person: Shanti Gopalkrishnan
SEBI registration number: INR000004058

Book Running Lead Managers

Axis Capital Limited
1st Floor, Axis House
C-2, Wadia International Centre
P.B. Marg, Worli
Mumbai - 400 025, Maharashtra
Telephone: +91 22 4325 2183
Email: cms.ipo@axiscap.in
Investor grievance e-mail:
complaints@axiscap.in
Website: www.axiscapital.co.in
Contact person: Ankit Bhatia
SEBI registration number: INM000012029

DAM Capital Advisors Limited
(*Formerly IDFC Securities Limited***)**
One BKC, Tower C, 15th Floor
Unit No. 1511, Bandra Kurla Complex
Bandra (East), Mumbai – 400 051
Maharashtra, India
Telephone: +91 22 4202 2500
E-mail: cmsinfo.ipo@damcapital.in
Website: www.damcapital.in
Investor grievance e-mail:
complaint@damcapital.in
Contact person: Gunjan Jain
SEBI registration number: MB/INM000011336

Jefferies India Private Limited
42/43, 2 North Avenue Maker Maxity
Bandra-Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra
Telephone: +91 22 4356 6000
E-mail: cmsinfosystemsipo@jefferies.com

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi
Mumbai – 400 025, Maharashtra
Telephone: +91 22 6630 3030; +91 22 6630 3262
E-mail: cms.ipo@jmfl.com

Investor grievance e-mail: jipl.grievance@jefferies.com
Website: www.jefferies.com
Contact person: Aman Puri
SEBI registration number: INM000011443

Website: www.jmfl.com
Investor grievance e-mail: grievance.ibd@jmfl.com
Contact person: Prachee Dhuri
SEBI registration number: INM000010361

Syndicate Members

Sharekhan Limited
10th Floor, Beta Building
Lodha IThink Techno Campus
Opp. Kanjurmarg Railway Station
Kanjurmarg (East), Mumbai - 400042
Maharashtra
Telephone: +91 22 6115 0000
Email: pravin@sharekhan.com
Website: www.sharekhan.com
Investor grievance email: myaccount@sharekhan.com/ ipo@sharekhan.com
Contact person: Pravin Darji
SEBI registration number: INB231073330/ INB011073351

JM Financial Services Limited
2, 3 & 4 Kamanwala Chambers
Ground Floor, Sir PM Road, Fort
Mumbai 400 001, Maharashtra
Telephone: +91 022 6136 3400
Email: tn.kumar@jmfl.com/sona.verghese@jmfl.com
Website: www.jmfinancialservices.in
Contact person: T N Kumar/Sona Verghese
SEBI registration number: INZ000195834

Statement of inter-se allocation of responsibilities among the Book Running Lead Managers

The responsibilities and coordination by the BRLMs for various activities in the Offer are as follows:

Sr. No.	Activity	Responsibility	Co-ordination
1.	Capital structuring, positioning strategy and due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing	BRLMs	Axis
2.	Drafting and approval of statutory advertisements	BRLMs	Axis
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report.	BRLMs	DAM
4.	Appointment of intermediaries viz., Registrar's, Printers, Advertising Agency, Syndicate, Sponsor Bank, Bankers to the Issue and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	BRLMs	JM
5.	Preparation of road show marketing presentation and frequently asked questions	BRLMs	Jefferies
6.	International Institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy; • Finalizing the list and division of international investors for one-to-one meetings; and • Finalizing international road show and investor meeting schedule	BRLMs	Jefferies
7.	Domestic Institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy; • Finalizing the list and division of domestic investors for one-to-one meetings; and • Finalizing domestic road show and investor meeting schedule	BRLMs	Axis

Sr. No.	Activity	Responsibility	Co-ordination
8.	Retail marketing of the Offer, which will cover, inter alia: • Formulating marketing strategies, preparation of publicity budget; • Finalizing media, marketing and public relations strategy; • Finalizing centres for holding conferences for brokers, etc.; • Finalizing collection centres; • Arranging for selection of underwriters and underwriting agreement; and • Follow-up on distribution of publicity and offer material including form, Prospectus and deciding on the quantum of the offer material	BRLMs	JM
9.	Non-Institutional marketing of the Offer, which will cover, inter alia: • Finalizing media, marketing and public relations strategy; and • Finalizing centres for holding conferences for brokers, etc.	BRLMs	DAM
10.	Managing the book and finalization of pricing in consultation with the Company and the Selling Shareholder.	BRLMs	Jefferies
11.	Coordination with Stock-Exchanges for book building software, bidding terminals, mock trading, payment of 1% security deposit, anchor co-ordination and intimation of anchor allocation.	BRLMs	DAM
12.	Post- Issue activities, which shall involve essential follow-up with bankers to the Issue and SCSBs to get quick estimates of collection and advising our Company about the closure of the Issue, based on correct figures, finalization of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Selling Shareholder and coordination with various agencies connected with the post-Issue activity such as Registrar to the Issue, Bankers to the Issue, SCSBs including responsibility for underwriting arrangements, as applicable and submission of all post Offer reports including the final post Offer report to SEBI, co-ordination with designated exchange and SEBI for release of 1% security deposit.	BRLMs	JM

Legal Counsel to the Company as to Indian Law

Khaitan & Co
One World Centre
13th Floor, Tower 1C
841 Senapati Bapat Marg
Mumbai – 400 013, Maharashtra
Telephone: +91 22 6636 5000

Legal Counsel to the BRLMs as to Indian Law

IndusLaw
#107, 1st Floor,
Mistry Mansion
M.G. Road, Fort
Mumbai – 400001, Maharashtra
Telephone: +91 22 4007 4400

International Legal Counsel to the BRLMs

Ashurst LLP
12 Marina Boulevard
#24-01 Marina Bay Financial Centre
Tower 3, Singapore – 018 982
Telephone: +65 6221 2214

Legal Counsel to the Promoter Selling Shareholder as to Indian Law

J. Sagar Associates
Vakils House
18 Sprott Road, Ballard Estate

Mumbai – 400 001, Maharashtra
Telephone: +91 22 4341 8600

Statutory Auditor to our Company

B S R & Co. LLP
14th Floor, Central B Wing and North C Wing
Nesco IT Park 4, Nesco Center
Western Express Highway, Goregaon (East)
Mumbai – 400063, Maharashtra
Telephone: +91 22 6257 1000
E-mail: klehery@bsraffiliates.com
Peer review number: 011748
Firm registration number: 101248W /W-100022

Changes in Auditors

There has been no change in the auditors of our Company during the three years preceding the date of this Prospectus.

Banker to our Company

ICICI Bank Limited
ICICI Bank Towers
Bandra Kurla Complex
Mumbai 400 051, Maharashtra
Telephone: +91 22 2653 1414
Email: jain.neha@icicibank.com
Website: www.icicibank.com
Contact person: Neha Jain

Banker(s) to the Offer

Escrow Collection Bank, Public Offer Bank, Refund Bank and Sponsor Bank

Axis Bank Limited
Shop no. 12 and 13
Snehadeep CHS Limited
M.G. Road, Goregaon (West)
Mumbai 400 062, Maharashtra
Telephone: 91670 06471
Email: goregaonwest.branchhead@axisbank.com
Website: www.axisbank.com
Contact person: Rajesh Khandelwal
SEBI registration number: INBI00000017

Designated Intermediaries

The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than RIBs using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP could submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.

SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Bidders using the UPI Mechanism could apply through the SCSBs and mobile applications whose names appeared on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35 as updated from time to time.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Credit Rating

As this is an Offer consisting only of Equity Shares, there is no requirement to obtain credit rating for the Offer.

Debenture Trustee

As this is an Offer consisting only of Equity Shares, the appointment of a debenture trustee is not required for the Offer.

Appraising Entity

No appraising entity has been appointed in relation to the Offer.

Monitoring Agency

As the Offer is an offer for sale of Equity Shares by the Promoter Selling Shareholder, our Company is not required to appoint a monitoring agency for this Offer.

Grading of the Offer

No credit agency registered with SEBI has been appointed for obtaining grading for the Offer.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Expert

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated December 8, 2021 from the Statutory Auditors namely, B S R & Co. LLP, holding a valid peer review certificate from ICAI to include their name as required under Section 26(5) of the Companies Act, 2013 in this Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in relation to the Restated Financial Information, the examination report dated October 28, 2021 on the Restated Financial Information, and the statement of special tax benefits dated December 8, 2021 included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U. S. Securities Act.

Trustees

As the Offer comprises of Equity Shares, there are no trustees appointed for the Offer.

Filing

A copy of the Draft Red Herring Prospectus was filed electronically on the SEBI Intermediary Portal at https://siportal.sebi.gov.in/intermediary/index.html, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and emailed at cfddil@sebi.gov.in. in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "Easing of Operational Procedure – Division of Issues and Listing – CFD." A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act was filed with the RoC, and a copy of this Prospectus shall be filed with the RoC as required under Section 26 of the Companies Act and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Book Building Process

Book Building Process, in the context of the Offer, referred to the process of collection of Bids from investors on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid Lot size was decided by our Company and the Promoter Selling Shareholder in consultation with the BRLMs and was advertised in all editions of The Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and Mumbai editions of Navshakti, a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date and was made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Offer Price was determined by our Company and the Promoter Selling Shareholder in consultation with the BRLMs after the Bid/ Offer Closing Date.

All Bidders, except Anchor Investors, were mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount was blocked by SCSBs. In addition to this, the RIBs could participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount was blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors were not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders were not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders could revise their Bids during the Bid/ Offer Period and withdraw their Bids on or before the Bid/ Offer Closing Date. Further, Anchor Investors could not withdraw their Bids after the Anchor Investor Bid/ Offer Period. Allocation to the QIBs (other than Anchor Investors) and Non-Institutional Buyers would be on a proportionate basis while allocation to the Anchor Investors was on a discretionary basis.

Each Bidder, by submitting a Bid in the Offer, was deemed to have acknowledged the above restrictions and the terms of the Offer.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. In this regard, our Company along with the Promoter Selling Shareholder have appointed the BRLMs to manage this Offer and procure Bids for this Offer.

The Book Building Process was in accordance with guidelines, rules and regulations prescribed by SEBI which are subject to change from time to time. Bidders were advised to make their own judgement about an investment through this process prior to submitting a Bid.

For further details on the method and procedure for Bidding, see "*Offer Structure*" and "*Offer Procedure*" on pages 349 and 351, respectively.

Bidders should note that the Offer is also subject to obtaining (i) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) final approval of the RoC after this Prospectus is filed with the RoC.

Underwriting Agreement

Our Company and the Promoter Selling Shareholder have entered into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be issued and offered in the Offer. The extent of underwriting obligations and the Bids to be underwritten by each BRLM shall be as per the Underwriting Agreement. The Underwriting Agreement is dated December 24, 2021. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares pursuant to the Underwriting Agreement:

Name, address, telephone number and email address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount underwritten (in ₹ million)
Axis Capital Limited 1st Floor, Axis House C-2, Wadia International Centre P.B. Marg, Worli Mumbai - 400 025, Maharashtra **Telephone:** +91 22 4325 2183 **Email:** cms.ipo@axiscap.in	12,731,481	2,750.00
JM Financial Limited 7th Floor, Cnergy Appasaheb Marathe Marg Prabhadevi Mumbai – 400 025, Maharashtra **Telephone**: +91 22 6630 3030; +91 22 6630 3262 **E-mail**: cms.ipo@jmfl.com	12,731,381	2,749.98
JM Financial Services Limited 2, 3 & 4 Kamanwala Chambers Ground Floor, Sir PM Road, Fort Mumbai 400 001, Maharashtra **Telephone**: +91 022 6136 3400 **Email**: tn.kumar@jmfl.com/sona.verghese@jmfl.com	100	0.02
DAM Capital Advisors Limited (*Formerly IDFC Securities Limited)* One BKC, Tower C, 15th Floor Unit No. 1511, Bandra Kurla Complex Bandra (East), Mumbai – 400 051 Maharashtra, India **Telephone**: +91 22 4202 2500 **E-mail**: cmsinfo.ipo@damcapital.in	12,731,381	2,749.98
Sharekhan Limited 10th Floor, Beta Building Lodha IThink Techno Campus Opp. Kanjurmarg Railway Station Kanjurmarg (East), Mumbai - 400042 Maharashtra **Telephone**: +91 22 6115 0000 **Email**: pravin@sharekhan.com	100	0.02

Name, address, telephone number and email address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount underwritten (in ₹ million)
Jefferies India Private Limited 42/43, 2 North Avenue Maker Maxity Bandra-Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra **Telephone**: +91 22 4356 6000 **E-mail**: cmsinfosystemsipo@jefferies.com	12,731,482	2,750.00

The abovementioned underwriting commitments are indicative and will be finalised after pricing of the Offer, the Basis of Allotment and actual allocation in accordance with provisions of the SEBI ICDR Regulations.

In the opinion of our Board, the resources of the abovementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The abovementioned Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. Our Board/ IPO Committee, at its meeting held on December 24, 2021, has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as of the date of this Prospectus, is set forth below.

	Particulars	Aggregate nominal value (in ₹)	Aggregate value at Offer Price (in ₹)
A)	**AUTHORISED SHARE CAPITAL** [(1)]		
	173,000,000 Equity Shares	1,730,000,000	-
	1,500,000 OCCPS	150,000,000	-
	TOTAL	**1,880,000,000**	-
B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	148,000,000 Equity Shares	1,480,000,000	-
C)	**PRESENT OFFER** [(2)(3)]		
	Offer for Sale of 50,925,925* Equity Shares by the Promoter Selling Shareholder aggregating to ₹11,000 million	509,259,250	11,000,000,000
D)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	148,000,000 Equity Shares	1,480,000,000	-
E)	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	42,868,350	-
	After the Offer	42,868,350	-

**Subject to finalisation of Basis of Allotment.*

(1) *For details of the changes in the authorized share capital of our Company, see "History and Certain Corporate Matters – Amendments to our Memorandum of Association" on page 179.*

(2) *This IPO has been authorized by a resolution of our Board dated August 10, 2021. The Promoter Selling Shareholder has authorized and confirmed inclusion of Offered Shares as part of the Offer for Sale vide the resolution of its board and shareholders each dated August 10, 2021 and consent letters dated August 14, 2021 and December 10, 2021. Our Board has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholder and approved the Draft Red Herring Prospectus pursuant to its resolution dated August 14, 2021. For details see "Other Regulatory and Statutory Disclosures" on page 330.*

(3) *The Promoter Selling Shareholder confirmed that the Offered Shares had been held for a period of at least one year prior to the filing of the Draft Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and accordingly, were eligible for sale in the Offer in accordance with the provisions of the SEBI ICDR Regulations. For details on the authorization of the Promoter Selling Shareholder in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 330.*

Notes to Capital Structure

1. Share Capital History of our Company

(a) The following table sets forth the history of the equity share capital of our Company.

Date of allotment	Total Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason/ Nature of allotment	Name of the Allottee(s) and number of Equity Shares allotted	Cumulative number of Equity Shares
April 15, 2008	10,000	10	10	Cash	Subscription to the MoA	Manish Jain (5,000) and Sanat Upadhyay (5,000)	10,000
January 5, 2009	40,000	10	10	Cash	Further issue	Ramesh Grover (40,000)	50,000
July 1, 2009	112,830,189	10	-	Other than cash	Allotment pursuant to the scheme of arrangement between CMS Computers Limited and our Company, approved	Blackstone FP Capital Partners (Mauritius) V Limited (63,974,717), Ramesh Grover	112,880,189

Date of allotment	Total Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason/ Nature of allotment	Name of the Allottee(s) and number of Equity Shares allotted	Cumulative number of Equity Shares
					by the High Court of Bombay vide its order dated April 24, 2009	(37,585,673), Vishal Grover (4,787,327), Aarti Grover (3,155,687), R. D. Grover (HUF) (2,666,667), Srinivasan Ramadorai (589,958) and Raju Grover (70,160)	
December 12, 2011	27,595,001	10	46.51	Cash	Rights issue	Blackstone FP Capital Partners (Mauritius) V Limited (19,192,415) and CMS Computers Limited (8,402,586)	140,475,190
December 12, 2011	6,300,000	10	31	Cash	Further issue	Rajiv Kaul (6,300,000) and Pankaj Khandelwal (6,300,000) in their capacity as authorised trustees of CMS Securitas Employees Welfare Trust	146,775,190
August 21, 2015	1,224,810	10	45	Cash	Allotment pursuant to the restated and amended trust deed dated August 17, 2015	Dinesh Salian (1,224,810) and Hemant Chopra (1,224,810) in their capacity as authorised trustees of CMS Securitas Employees Welfare Trust	148,000,000
Total paid up equity share capital							**148,000,000**

(b) Our Company does not have any outstanding preference shares as on the date of the filing of this Prospectus.

2. Equity Shares issued for consideration other than cash or out of revaluation of reserves

Our Company has not issued any Equity Shares for consideration other than cash or out of revaluation of reserves as on the date of this Prospectus.

3. Offer of Equity Shares pursuant to schemes of arrangement

Except as stated below, our Company has not allotted any Equity Shares pursuant to a scheme of amalgamation approved under Section 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act:

Date of allotment	Name of allottees	Number of Equity Shares	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Reasons for allotment
July 1, 2009	Ramesh Grover	37,585,673	10	-	Allotment pursuant to the scheme of arrangement between CMS Computers Limited and our Company, approved by the High Court of Bombay vide its order dated April 24, 2009
	Vishal Grover	4,787,327			
	Raju Grover	70,160			
	Aarti Grover	3,155,687			
	R. D. Grover (HUF)	2,666,667			
	Srinivasan Ramadorai	589,958			
	Blackstone FP Capital Partners (Mauritius) V Limited	63,974,717			
Total		**112,830,189**			

4. Employee Stock Option Plans

Pursuant to a resolution of our Board of Directors dated October 19, 2016 and a special resolution passed by our Shareholders in an EGM dated October 20, 2016, our Company instituted the following employee stock option plans:

(i) CMS CEO Stock Option Plan, 2016 ("**CEO ESOP 2016**");
(ii) CMS Management Stock Option Plan 2016 ("**Management ESOP 2016**"); and
(iii) CMS Employees Stock Option Plan 2016 ("**Employees ESOP 2016**").

The maximum Equity Shares that may be issued pursuant to exercise of options granted will constitute 5.98% of diluted capital under CEO ESOP 2016, 1.53% of diluted capital under Management ESOP 2016 and 2.79% of diluted capital under Employees ESOP 2016.

The details of the employee stock option plans are listed below:

(i) **CEO ESOP 2016**

To implement the terms and conditions of the employment of Rajiv Kaul, our Executive Vice Chairman, Whole Time Director and CEO, our Company has instituted the CEO ESOP 2016 in October 2016 as amended by the shareholders in the extraordinary general meeting held on September 10, 2021 and October 28, 2021. Pursuant to the terms of the CEO ESOP 2016, up to an aggregate of 9,866,667 options may be granted, which with each option upon exercise grants the option holder a right to be allotted one Equity Share upon payment of the exercise price of ₹123 per Equity Share. The quantum of options granted, the exercise price under the CEO ESOP 2016 and the issue of Equity Shares upon exercise of such options are subject to corresponding fair and reasonable adjustments in the event of a corporate action by our Company, including a rights issue, bonus issue, merger and sale of division, etc. In terms of the CEO ESOP 2016, in the event the option holder fails to exercise the exercisable options within the exercise period, the unexercised options shall lapse irrevocably, and the rights thereunder shall stand extinguished. The CEO ESOP 2016 has been framed in compliance with the SBEB Regulations 2021. As on the date of this Prospectus, our Company has granted 9,866,667 stock options under CEO ESOP 2016 and accordingly, no further options can be granted under CEO ESOP 2016. Further, none of the options granted under the CEO ESOP 2016 have, lapsed, forfeited or been cancelled. The following table sets forth further details in relation to CEO ESOP 2016:

Particulars	Total
Options granted	9,866,667
Options vested (excluding options that have been exercised)	9,866,667
Options exercised	Nil
Total number of Equity Shares that would arise as a result of full exercise of options granted (net of cancelled options)	9,866,667

Particulars	Total
Vesting period	12 months from date of grant
Options forfeited/lapsed/cancelled	Nil
Money realized by exercise of options	N/a
Total number of options in force	9,866,667

Particulars	Details for the Fiscal			From April 1, 2021 till the date of the Prospectus
	2019	2020	2021	
Total options outstanding as at the beginning of the period	9,866,667	9,866,667	9,866,667	9,866,667
Options granted	Nil	Nil	Nil	Nil
	Options granted under the CEO ESOP 2016 prior to Fiscal 2019: 9,866,667. Total options granted as on the date of this Prospectus: 9,866,667 (Net of options forfeited / cancelled)			
Pricing formula for the options	Fair Market Value as approved by the NRC in concurrence with our Board as on the date of the grant of options			
Exercise price of options (in ₹) (as on the date of grant options)	N.A.	N.A.	N.A.	N.A.
Vesting period	N.A.	N.A.	N.A.	N.A.
Options vested	9,866,667	9,866,667	9,866,667	9,866,667
Options exercised	Nil	Nil	Nil	Nil
Total number of Equity Shares arising as a result of exercise of options	N.A.	N.A.	N.A.	N.A.
Options forfeited/ lapsed/ cancelled	Nil	Nil	Nil	Nil
Variation of terms of options	N.A.	N.A.	N.A.	Changes in exercise period and changes undertaken to align the CEO ESOP 2016 with SBEB Regulations 2021
Money realised by exercise of options (in ₹)	N.A.	N.A.	N.A.	N.A.
Total number of options in force	9,866,667	9,866,667	9,866,667	9,866,667
	As on date of this Prospectus, there are 9,866,667 vested options in force. Total number of unvested options in force as on date of this Prospectus are Nil.			
Employee-wise details of options granted to:				
(i) Key Management Personnel	N.A.			
(ii) Any other employee who receives a grant in any one year of options amounting to 5% or more of options granted during that year	N.A.			
(iii) Identified employees who were granted options during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	N.A.			
Diluted Earnings Per Share pursuant to the issue of equity shares on exercise of options calculated in accordance with applicable accounting standard on 'Earnings Per Share'. (in ₹)	6.33	8.87	11.09	N.A.

<table>
<tr><th rowspan="2">Particulars</th><th colspan="3">Details for the Fiscal</th><th rowspan="2">From April 1, 2021 till the date of the Prospectus</th></tr>
<tr><th>2019</th><th>2020</th><th>2021</th></tr>
<tr><td>Impact on the profits and on the earnings per share of the last three years if the accounting policies specified in the SBEB Regulations 2021 had been followed, in respect of options granted in the last three years</td><td>N.A.</td><td>N.A.</td><td>N.A.</td><td>N.A.</td></tr>
<tr><td>Where the Company has calculated the employee compensation cost using the intrinsic value of stock options, difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and the impact of this difference on profits and EPS of the Company</td><td colspan="4">N.A.

Our Company follows the Fair Market Value for the exercise price of shares and Black Scholes valuation model for the stock options price as on the date of grant for calculating employee compensation cost .</td></tr>
<tr><td>Description of the pricing formula and the method and significant assumptions to estimate the fair value of options granted during the year, including weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option</td><td colspan="4">Options have been valued based on fair value method as prescribed under Ind AS 102, Share based payments, using Black Scholes valuation option pricing model by using the fair value of the Company's shares on the grant date and assumptions. Refer Note 1.</td></tr>
<tr><td>Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock</td><td colspan="4"><table>
<tr><th></th><th>Fiscal 2019</th><th>Fiscal 2020</th><th>Fiscal 2021</th><th>From April 1, 2021 till the date of the Prospectus</th></tr>
<tr><td>Weighted average exercise price</td><td>123</td><td>123</td><td>123</td><td>123</td></tr>
<tr><td>Weighted average fair value of option</td><td>25.38</td><td>25.38</td><td>25.38</td><td>25.38</td></tr>
</table></td></tr>
<tr><td>Intention of the Key Management Personnel and whole-time directors who are holders of equity shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer.</td><td colspan="4" rowspan="2">Rajiv Kaul, our Executive Vice Chairman, Chief Executive Officer and Whole-time Director has been granted 9,866,667 options, which with each option upon exercise grants him a right to be allotted one Equity Share upon payment of the exercise price of ₹123 per Equity Share. He may sell such number of Equity Shares, so allotted, as may constitute up to four per cent of the total subscribed, paid up and issued capital of our Company, within three months of listing of the Equity Shares on the Stock Exchanges.</td></tr>
<tr><td>Intention to sell equity shares arising out of the exercise of shares granted under CEO ESOP 2016 within three months after the listing of equity shares by directors, senior managerial personnel and employees having equity</td></tr>
</table>

Particulars	Details for the Fiscal			From April 1, 2021 till the date of the Prospectus
	2019	2020	2021	
shares arising out of the CEO ESOP 2016, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)				

Note 1

A description of the method and significant assumptions used during the following years to estimate the fair values of options, including weighted average information, namely:

The Group has used Black Scholes option pricing model. The following tables list the inputs to the models used:

Particulars	March 31, 2019	March 31, 2020	March 31, 2021	From April 1, 2021 till the date of the Prospectus
Dividend yield (%)	0%	0%	0%	0%
Expected volatility (%)	25% - 29%	25% - 29%	25% - 29%	25% - 29%
Risk–free interest rate (%)	6%	6%	6%	6%
Expected life of share options (years)	3.7 years	3.7 years	3.7 years	3.7 years
Weighted average fair value per share (in ₹)	143	143	143	143

(ii) **Management ESOP 2016**

To reward our senior employees for their association with us and to attract, retain, and motivate them to contribute towards our growth and profitability, our Company has instituted Management ESOP 2016 in October 2016, as amended by the shareholders in the extraordinary general meetings held on August 13, 2021, September 10, 2021 and October 28, 2021. In terms of the Management ESOP 2016 our Company can grant options to *inter alia*, employees of Company, Subsidiaries and Promoter. Pursuant to the terms of the Management ESOP 2016, up to a maximum of 2,519,366 options may be granted, which with each option upon exercise grants the option holder a right to be allotted one Equity Share upon payment of the exercise price of ₹165 per Equity Share. As on the date of this Prospectus, our Company has granted 2,519,366 options under the Management ESOP 2016 and accordingly, no further options can be granted under the Management ESOP 2016. Further, none of the options granted under the Management ESOP 2016 have lapsed, forfeited or been cancelled. The quantum of options that can be granted and the applicable exercise price under the Management ESOP 2016 and the issue of Equity Shares upon its exercise are subject to corresponding fair and reasonable adjustments in the event of a corporate action by our Company including a rights issue, a bonus issue, merger and/or sale of division. The Management ESOP 2016 has been framed in compliance with the SBEB Regulations 2021.

Particulars	Total
Options granted	2,519,366
Options vested (excluding options that have been exercised)	Nil
Options exercised	Nil
Total number of Equity Shares that would arise as a result of full exercise of options granted (net of cancelled options)	2,519,366
Vesting period	12 months from date of grant
Options forfeited/lapsed/cancelled	Nil
Money realized by exercise of options	N/a
Total number of options in force	2,519,366

Particulars	Details for the Fiscal			From April 1, 2021 till the date of the Prospectus
	2019	**2020**	**2021**	
Total options outstanding as at the beginning of the period	Nil	Nil	Nil	Nil
Options granted	Nil	Nil	Nil	2,519,366
	Options granted under the Management ESOP 2016 prior to Fiscal 2019: Nil. Total options granted as on the date of this Prospectus: 2,519,366 (Net of options forfeited / cancelled)			
Pricing formula for the options	Fair Market Value as approved by the NRC in concurrence with our Board as on the date of the grant of options			
Exercise price of options (in ₹) (as on the date of grant options)	N.A.	N.A.	N.A.	165
Vesting period	N.A.	N.A.	N.A.	12 months from date of grant
Options vested	Nil	Nil	Nil	Nil
Options exercised	Nil	Nil	Nil	Nil
Total number of Equity Shares arising as a result of exercise of options	N.A.	N.A.	N.A.	N.A.
Options forfeited/ lapsed/ cancelled	Nil	Nil	Nil	Nil
Variation of terms of options	N.A.	N.A.	N.A.	Changes in exercise period and changes undertaken to align the Management ESOP 2016 with SBEB Regulations 2021
Money realised by exercise of options (in ₹)	N.A.	N.A.	N.A.	N.A.
Total number of options in force	Nil	Nil	Nil	2,519,366
	As on date of this Prospectus, there are no vested options in force. Total number of unvested options in force as on date of this Prospectus are 2,519,366.			
Employee-wise details of options granted to:				
(i) Key Management Personnel	N.A.	N.A.	N.A.	**Name of the Key Management Personnel** | **Options granted** Rajiv Kaul | 2,519,366
(ii) Any other employee who receives a grant in any one year of options amounting to 5% or more of options granted during that year	N.A.			
(iii) Identified employees who were granted options during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	N.A.	N.A.	N.A.	**Name** | **Options granted** Rajiv Kaul | 2,519,366
Diluted Earnings Per Share pursuant to the issue of equity shares on exercise of options calculated in accordance with applicable accounting standard on 'Earnings Per Share'. (in ₹)	N.A.	N.A.	N.A.	N.A.

<table>
<tr><th rowspan="2">Particulars</th><th colspan="3">Details for the Fiscal</th><th rowspan="2">From April 1, 2021 till the date of the Prospectus</th></tr>
<tr><th>2019</th><th>2020</th><th>2021</th></tr>
<tr><td>Impact on the profits and on the earnings per share of the last three years if the accounting policies specified in the SBEB Regulations 2021 had been followed, in respect of options granted in the last three years</td><td>N.A.</td><td>N.A.</td><td>N.A.</td><td>N.A.</td></tr>
<tr><td>Where the Company has calculated the employee compensation cost using the intrinsic value of stock options, difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and the impact of this difference on profits and EPS of the Company</td><td colspan="4">Our Company follows the Fair Market Value for the exercise price of shares and Black Scholes valuation model for the stock options price as on the date of grant for calculating employee compensation cost-</td></tr>
<tr><td>Description of the pricing formula and the method and significant assumptions to estimate the fair value of options granted during the year, including weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option</td><td colspan="4">Options have been valued based on fair value method as prescribed under Ind AS 102, Share based payments, using Black Scholes valuation option pricing model by using the fair value of the Company’s shares on the grant date and assumptions. Refer Note 1.</td></tr>
<tr><td>Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock</td><td colspan="4"><table>
<tr><th></th><th>Fiscal 2019</th><th>Fiscal 2020</th><th>Fiscal 2021</th><th>From April 1, 2021 till the date of the Prospectus</th></tr>
<tr><td>Weighted average exercise price</td><td>NA</td><td>NA</td><td>NA</td><td>165</td></tr>
<tr><td>Weighted average fair value of option</td><td>NA</td><td>NA</td><td>NA</td><td>NA</td></tr>
</table></td></tr>
<tr><td>Intention of the Key Management Personnel and whole-time directors who are holders of equity shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer.</td><td colspan="4" rowspan="2">NA</td></tr>
<tr><td>Intention to sell equity shares arising out of the exercise of shares granted under Management ESOP 2016 within three months after the listing of equity shares by directors, senior managerial personnel and employees</td></tr>
</table>

Particulars	Details for the Fiscal			From April 1, 2021 till the date of the Prospectus
	2019	2020	2021	
having equity shares arising out of the Management ESOP 2016, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)				

Note 1

A description of the method and significant assumptions used during the following years to estimate the fair values of options, including weighted average information, namely:

The Group has used Black Scholes option pricing model. The following tables list the inputs to the models used:

Particulars	March 31, 2019	March 31, 2020	March 31, 2021	From April 1, 2021 till the date of the Prospectus
Dividend yield (%)	N.A.	N.A.	N.A.	1.50%
Expected volatility (%)	N.A.	N.A.	N.A.	29%-33%
Risk–free interest rate (%)	N.A.	N.A.	N.A.	4%
Expected life of share options (years)	N.A.	N.A.	N.A.	1.5 years
Weighted average fair value per share (in ₹)	N.A.	N.A.	N.A.	165

(iii) **Employees ESOP 2016**

To reward our employees for their association with us and to attract, retain, and motivate them to contribute towards our growth and profitability, our Company has instituted Employees ESOP 2016 in October 2016, as amended by the shareholders in the extraordinary general meetings held on August 13, 2021, September 10, 2021 and October 28, 2021. In terms of the Employees ESOP 2016 our Company can grant options to inter alia, employees of Company, Subsidiaries and Promoter. Pursuant to the terms of the Employees ESOP 2016, up to a maximum of 4,604,444 options may be granted, which with each option upon exercise grants the option holder a right to be allotted one Equity Share upon payment of the exercise price as may be decided by the Nomination and Remuneration Committee. The number of options that may be granted to any specific eligible employee under the Employees ESOP 2016 in one or more tranches cannot exceed one million options. Further, the quantum of options granted, the applicable exercise price under the Employees ESOP 2016 and the issue of Equity Shares upon exercise of such options are subject to corresponding fair and reasonable adjustments in the event of a corporate action by our Company including a rights issue, a bonus issue, merger and sale of division, etc. The Employees ESOP 2016 has been framed in compliance with the SBEB Regulations 2021. As on the date of this Prospectus our Company has granted 5,375,400 stock options (which includes stock options that have expired, lapsed or became un-exercisable and were subsequently granted in terms of the provisions of the Employees ESOP 2016) under Employees ESOP 2016 of which 1,045,495 options have been forfeited. The following table sets forth further details in relation to Employees ESOP 2016:

Particulars	Total		
Options granted	5,375,400		
Options vested (excluding options that have been exercised)	3,067,005		
Options exercised	Nil		
Total number of Equity Shares that would arise as a result of full exercise of options granted (net of cancelled options)	4,329,905		
Vesting period	**Vesting Proportion**	**Vesting period from date of grant**	**Basis of Vesting**

<table>
<tr><th>Particulars</th><th colspan="3">Total</th></tr>
<tr><td rowspan="4"></td><td>25% Time Based</td><td>12 months</td><td rowspan="4">21st month and onwards vesting will be time based and on Company/ business unit performance as decided by the Nomination and Remuneration Committee.</td></tr>
<tr><td>8.33% Time Based and 16.67% Performance based</td><td>21 months</td></tr>
<tr><td>8.33% Time Based and 16.67% Performance based</td><td>33 months</td></tr>
<tr><td>8.33% Time Based and 16.67% Performance based</td><td>45 months</td></tr>
<tr><td>Options forfeited/lapsed/cancelled</td><td colspan="3">1,045,495</td></tr>
<tr><td>Money realized by exercise of options</td><td colspan="3">N/a</td></tr>
<tr><td>Total number of options in force</td><td colspan="3">4,329,905</td></tr>
</table>

<table>
<tr><th rowspan="2">Particulars</th><th colspan="3">Details for the Fiscal</th><th rowspan="2">From April 1, 2021 till the date of the Prospectus</th></tr>
<tr><th>2019</th><th>2020</th><th>2021</th></tr>
<tr><td>Total options outstanding as at the beginning of the period</td><td>4,050,000</td><td>3,809,409</td><td>3,555,750</td><td>3,521,750</td></tr>
<tr><td rowspan="2">Options granted</td><td>Nil</td><td>125,000</td><td>Nil</td><td>1,200,400</td></tr>
<tr><td colspan="4">Options granted prior to the Fiscal 2019 under the Employee ESOP 2016 are 4,050,000. Total options granted as on date of this Prospectus: 4,329,905 (Net of options forfeited / cancelled)</td></tr>
<tr><td>Pricing formula for the options</td><td colspan="4">Fair Market Value as approved by the NRC in concurrence with our Board as on the date of the grant of options</td></tr>
<tr><td>Exercise price of options (in ₹) (as on the date of grant options)</td><td>N.A.</td><td>165</td><td>N.A.</td><td>165</td></tr>
<tr><td>Vesting period</td><td colspan="4"><table>
<tr><th>Vesting Proportion</th><th>Vesting period from date of grant</th><th>Basis of Vesting</th></tr>
<tr><td>25% Time Based</td><td>12 months</td><td rowspan="4">21st month and onwards vesting will be time based and on Company/ business unit performance as decided by the Nomination and Remuneration Committee.</td></tr>
<tr><td>8.33% Time Based and 16.67% Performance based</td><td>21 months</td></tr>
<tr><td>8.33% Time Based and 16.67% Performance based</td><td>33 months</td></tr>
<tr><td>8.33% Time Based and 16.67% Performance based</td><td>45 months</td></tr>
</table></td></tr>
<tr><td>Options vested</td><td>1,305,796</td><td>1,566,858</td><td>1,822,185</td><td>3,067,005</td></tr>
<tr><td>Options exercised</td><td>Nil</td><td>Nil</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Total number of Equity Shares arising as a result of exercise of options</td><td>N.A.</td><td>N.A.</td><td>N.A.</td><td>N.A.</td></tr>
<tr><td>Options forfeited/ lapsed/ cancelled</td><td>240,591</td><td>378,659</td><td>34,000</td><td>392,245</td></tr>
<tr><td>Variation of terms of options</td><td>N.A.</td><td>N.A.</td><td>N.A.</td><td>Changes in exercise period and changes undertaken to align the Employees ESOP 2016 with SBEB Regulations 2021</td></tr>
<tr><td>Money realised by exercise of options (in ₹)</td><td>NA</td><td>NA</td><td>NA</td><td>NA</td></tr>
<tr><td rowspan="2">Total number of options in force</td><td>3,809,409</td><td>3,555,750</td><td>3,521,750</td><td>4,329,905</td></tr>
<tr><td colspan="4">As on date of this Prospectus, there are 3,067,005 vested options in force. Total number of granted but unvested options in force as on date of this Prospectus are 1,262,900.</td></tr>
<tr><td>Employee-wise details of options granted to:</td><td colspan="4"></td></tr>
</table>

<table>
<tr><th rowspan="2">Particulars</th><th colspan="3">Details for the Fiscal</th><th rowspan="2">From April 1, 2021 till the date of the Prospectus</th></tr>
<tr><th>2019</th><th>2020</th><th>2021</th></tr>
<tr><td>(i) Senior managerial personnel (i.e. Directors and Key Management Personnel)</td><td>N.A.</td><td>Nil</td><td>N.A.</td><td><table><tr><th>Name of the Key Management Personnel</th><th>Options granted</th></tr><tr><td>Anush Raghavan</td><td>175,000</td></tr><tr><td>Sanjay Singh</td><td>160,000</td></tr><tr><td>Pankaj Khandelwal</td><td>125,000</td></tr><tr><td>Rohit Kilam</td><td>110,000</td></tr></table></td></tr>
<tr><td>(ii) Any other employee who receives a grant in any one year of options amounting to 5% or more of options granted during that year</td><td>N.A.</td><td><table><tr><th>Name of the employee</th><th>Options granted</th></tr><tr><td>Vijay Iyer</td><td>125,000</td></tr></table></td><td>N.A.</td><td><table><tr><th>Name of the employee</th><th>Options granted</th></tr><tr><td>Deepak Bhagchandaney</td><td>105,000</td></tr><tr><td>Arindam Biswas</td><td>75,000</td></tr><tr><td>Mrydul Vats</td><td>75,000</td></tr></table></td></tr>
<tr><td>(iii) Identified employees who were granted options during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant</td><td>N.A.</td><td>Nil</td><td>N.A.</td><td>N.A.</td></tr>
<tr><td>Diluted Earnings Per Share pursuant to the issue of equity shares on exercise of options calculated in accordance with applicable accounting standard on ‘Earnings Per Share’. (in ₹)</td><td>6.33</td><td>8.87</td><td>11.09</td><td>N.A.</td></tr>
<tr><td>Impact on the profits and on the earnings per share of the last three years if the accounting policies specified in the SBEB Regulations 2021 had been followed, in respect of options granted in the last three years</td><td>N.A.</td><td>N.A.</td><td>N.A.</td><td>N.A.</td></tr>
<tr><td>Where the Company has calculated the employee compensation cost using the intrinsic value of stock options, difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost</td><td colspan="4">N.A.

Our Company follows the Fair Market Value (based on Black Scholes valuation model) of the stock options as on the date of grant for calculating employee compensation cost</td></tr>
</table>

<table>
<tr><th rowspan="2">Particulars</th><th colspan="3">Details for the Fiscal</th><th rowspan="2">From April 1, 2021 till the date of the Prospectus</th></tr>
<tr><th>2019</th><th>2020</th><th>2021</th></tr>
<tr><td>calculated on the basis of fair value of stock options and the impact of this difference on profits and EPS of the Company</td><td colspan="4"></td></tr>
<tr><td>Description of the pricing formula and the method and significant assumptions to estimate the fair value of options granted during the year, including weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option</td><td colspan="4">Options have been valued based on fair value method as prescribed under Ind AS 102, Share based payments, using Black Scholes valuation option pricing model by using the fair value of the Company’s shares on the grant date and assumptions. Refer Note 1.</td></tr>
<tr><td>Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock</td><td colspan="4"><table>
<tr><th></th><th>Fiscal 2019</th><th>Fiscal 2020</th><th>Fiscal 2021</th><th>From April 1, 2021 till the date of the Prospectus</th></tr>
<tr><td>Weighted average exercise price</td><td>125</td><td>125</td><td>125</td><td>136</td></tr>
<tr><td>Weighted average fair value of option</td><td>29.80</td><td>29.14</td><td>29.39</td><td>N.A.</td></tr>
</table></td></tr>
<tr><td>Intention of the Key Management Personnel and whole-time directors who are holders of equity shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer.</td><td colspan="4" rowspan="2">The employees may sell the Equity Shares allotted on the exercise of their options post listing of the equity shares of our Company.</td></tr>
<tr><td>Intention to sell equity shares arising out of the exercise of shares granted under Employees ESOP 2016 within three months after the listing of equity shares by directors, senior managerial personnel and employees having equity shares arising out of the Employees ESOP 2016, amounting to more than 1% of the issued capital (excluding outstanding</td></tr>
</table>

Particulars	Details for the Fiscal			From April 1, 2021 till the date of the Prospectus
	2019	2020	2021	
warrants and conversions)				

Note 1

A description of the method and significant assumptions used during the following years to estimate the fair values of options, including weighted average information, namely:

The Group has used Black Scholes option pricing model. The following tables list the inputs to the models used:

Particulars	March 31, 2019	March 31, 2020	March 31, 2021	From April 1, 2021 till the date of the Prospectus
Dividend yield (%)	0%	0%	0%	0-1.5%
Expected volatility (%)	25% - 29%	25% - 29%	25% - 29%	25%-33%
Risk–free interest rate (%)	6%	6%	6%	4-6%
Expected life of share options (years)	3.7 years	3.7 years	3.7 years	3.7 years
Weighted average fair value per share (in ₹)	143	143	143	143-165

5. Issue of securities at a price lower than the Offer Price

Our Company has not issued any Equity Shares at a price which is lower than the Offer Price, during a period of one year preceding the date of this Prospectus.

6. History of build-up, contribution and lock-in of Promoter's shareholding

(a) Build-up of Promoter's shareholding in our Company

As on the date of this Prospectus, our Promoter holds, in aggregate together with its nominees, 148,000,000 Equity Shares, which constitutes 100% of the issued, subscribed and paid-up equity share capital of our Company.

Set forth below is the build-up of the equity shareholding of our Promoter in our Company.

Date of acquisition/ transfer/ transmission of equity shares and made fully paid up	Nature of transaction	Number of Equity Shares	Face value per equity share (₹)	Issue price/ Transfer price per equity share (₹)	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
August 27, 2015	Transfer from Universal Trustees Private Limited (in its capacity as the executor of the estate of late Ramesh Grover).	27,393,677	10	114.74	18.51	18.51
	Transfer from Raju Grover	70,161	10	114.74	0.05	0.05
	Transfer from Vishal Grover	4,787,327	10	114.74	3.23	3.23
	Transfer from Aarti Grover	3,155,687*	10	114.74	2.13	2.13
	Transfer from R. Grover (HUF)	2,666,667	10	114.74	1.80	1.80

Date of acquisition/ transfer/ transmission of equity shares and made fully paid up	Nature of transaction	Number of Equity Shares	Face value per equity share (₹)	Issue price/ Transfer price per equity share (₹)	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
	Transfer from Srinivasan Ramadorai	1,192,738	10	114.74	0.81	0.81
	Transfer from Blackstone FP Capital Partners (Mauritius) V Limited	83,167,132	10	126.69#	56.19	56.19
	Transfer from CMS Computers Limited	9,885,191	10	114.74	6.68	6.68
	Transfer from Universal Trustees Private Limited (in its capacity as the trustee of the 2015 Grover Family Trust).	8,156,610	10	114.74	5.51	5.51
	Transfer from Rajiv Kaul	7,524,810	10	126.12	5.08	5.08
Total		**148,000,000**			**100%**	**100%**

 # Based on a consideration of US$ 159,502,496 converted at RBI reference rate (as of August 27, 2015) of ₹66.06.

**Includes transfer of one Equity Share each to Hemant Chopra, Dinesh Salian, Manjunath Rao Pare Parmeshwar, Neeta Khandelwal, Pankaj Khandelwal and Sanjay Panchal in their capacity as registered owner of Equity Shares for which the beneficial ownership has been declared in favour of our Promoter.*

All the Equity Shares held by our Promoter were fully paid-up on the respective dates of acquisition of such Equity Shares.

As of the date of this Prospectus, none of the Equity Shares held by our Promoter are pledged.

(b) Shareholding of our Promoter, directors of our Promoter and the members of the Promoter Group

Set forth below is the shareholding of our Promoter in our Company as on the date of this Prospectus:

Name of Promoter	Pre-Offer		Post-Offer#	
	Number of Equity Shares	Percentage of equity share capital (%)	Number of Equity Shares	Percentage of equity share capital (%)
Sion Investment Holdings Pte. Limited	148,000,000*	100.00	97,074,075	65.59
Total	**148,000,000**	**100.00**	**97,074,075**	**65.59**

** Includes six Equity Shares, of which one Equity Share each held by Hemant Chopra, Dinesh Salian, Manjunath Rao Pare Parmeshwar, Neeta Khandelwal, Pankaj Khandelwal and Sanjay Panchal, in relation to which Sion Investment Holdings Pte. Limited is the beneficial owner.*

#subject to finalisation of the Basis of Allotment

All Equity Shares held by our Promoter are in dematerialised form as on the date of this Prospectus. Further, none of the directors of our Promoter or members of the Promoter Group hold any Equity Shares as on the date of this Prospectus.

(c) Details of Promoter's contribution and lock-in for eighteen months

(i) Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoter shall be provided towards minimum promoter's contribution and locked-in for a period of eighteen months from the date of Allotment or any other date as may be specified by SEBI and the shareholding of the Promoter in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of six months from the date of Allotment or any other date as may be specified by SEBI.

(ii) Details of the Equity Shares to be locked-in for eighteen months from the date of Allotment as minimum Promoter's contribution are set forth in the table below:

Name of the Promoter	No. of Equity Shares to be locked-in	Date of acquisition and when made fully paid-up	Acquisition price per Equity Share	Nature of transaction	Face value per Equity Share (₹)	% of pre-Offer equity share capital	% of the fully diluted post- Offer equity share capital
Sion Investment Holdings Pte. Limited	32,186,735	August 27, 2015	126.69*	Transfer from Blackstone FP Capital Partners (Mauritius) V Limited	10	21.75	20.00
Total	**32,186,735**					21.75	20.00

**Based on a consideration of US$ 159,502,496 converted at RBI reference rate (as of August 27, 2015) of ₹66.06.*

For details on the build-up of the equity share capital held by our Promoter, see "- *Build-up of our Promoter's shareholding in our Company*" on page 95.

(iii) Our Promoter has consented pursuant to its letter dated December 10, 2021, to the inclusion of such number of Equity Shares held by him, as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as minimum Promoter's contribution and have agreed not to sell, dispose, transfer, charge, pledge or otherwise encumber in any manner the minimum Promoter's contribution from the date of filing of this Prospectus until the expiry of the lock-in period specified above, or for such other time as required under the SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

(iv) Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoter's contribution in terms of Regulation 15 of the SEBI ICDR Regulations.

(v) In this connection, please note that:

(a) The Equity Shares offered for Promoter's contribution do not include (i) Equity Shares acquired in the three immediately preceding years for consideration other than cash and revaluation of assets or capitalisation of intangible assets was involved in such transaction, (ii) Equity Shares resulting from bonus issue by utilization of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares, which are otherwise ineligible for computation of minimum Promoter's contribution.

(b) The minimum Promoter's contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer.

(c) Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm.

7. Other lock-in requirements:

(i) In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by the Promoter locked in for eighteen months as specified above, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of six months from the date of Allotment, including any unsubscribed portion of the Offer for Sale, except for (i) the Equity Shares offered pursuant to the Offer for Sale; (ii) any Equity Shares held by the eligible employees (whether currently employees or not) of our Company which have been or will be allotted to them under CEO ESOP 2016, Management ESOP 2016 or Employees ESOP 2016; (iii) the minimum promoter's contribution which shall be locked for a period of eighteen months as detailed above; and (iv) the Equity Shares held by VCFs or Category I AIF or Category II AIF or FVCI, subject to certain conditions set out in Regulation 17 of the SEBI ICDR Regulations, provided that such Equity Shares will be locked-in for a period of at least six months from the date of purchase by the VCFs or Category I AIF or Category II AIF or FVCI.

(ii) Our Promoter have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoter's contribution from the date of filing of this Prospectus, until the expiry of the lock-in specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

(iii) Any Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

(iv) The Equity Shares held by any person other than our Promoter and locked-in for a period of six months from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the Takeover Regulations.

8. Details of equity shareholding of the major Shareholders of our Company

The Shareholders who held 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them, as on the date of this Prospectus, ten days prior to the date of this Prospectus, one year prior to the date of this Prospectus and two years prior to the date of this Prospectus, are as set forth below.

Sr. No.	Shareholder	Number of Equity Shares held	Percentage of the pre- Offer equity share capital (%)
1.	Sion Investment Holdings Pte. Limited	148,000,000#	100.00
Total		**148,000,000#**	**100.00**

 # Includes six Equity Shares, of which one Equity Share each held by Hemant Chopra, Dinesh Salian, Manjunath Rao Pare Parmeshwar, Neeta Khandelwal, Pankaj Khandelwal and Sanjay Panchal, in relation to which Sion Investment Holdings Pte. Limited is the beneficial owner.

9. Our shareholding pattern

Set forth below is the shareholding pattern of our Company as on the date of this Prospectus.

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	No. of fully paid up Equity Shares held (IV)	No. of partly paid-up Equity Shares held (V)	No. of shares underlying depository receipts (VI)	Total no. of Equity Shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	Number of voting rights held in each class of securities (IX)				No. of Equity Shares underlying outstanding convertible securities (including warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialised form (XIV)
								No of voting rights			Total as a % of total voting rights (A+B+C)			No. (a)	As a % of total Equity Shares held (b)	No. (a)	As a % of total Equity Shares held (b)	
								Class - Equity	Class eg: Others	Total								
(A)	**Promoter and Promoter Group**	7*	148,000,000	-	-	148,000,000	100.00	148,000,000		148,000,000	100.00	-	100.00		-		-	148,000,000
(B)	**Public**	-	-	-	-	-	-	-	-	-	-	-	-		-		-	-
(C)	**Non-Promoter Non-Public**	-	-	-	-	-	-	-	-	-	-	-	-		-		-	-
(C) (1)	**Shares underlying DRs**	-	-	-	-	-	-	-	-	-	-	-	-		-		-	-
(C) (2)	**Shares held by Employee Trusts**	-	-	-	-	-	-	-	-	-	-	-	-		-		-	-
	Total (A)+(B)+(C)	7	148,000,000	-	-	148,000,000	100.00	148,000,000	-	148,000,000	100.00	-	100.00		-		-	148,000,000

** Includes six Equity Shares, of which one Equity Share each held by Hemant Chopra, Dinesh Salian, Manjunath Rao Pare Parmeshwar, Neeta Khandelwal, Pankaj Khandelwal and Sanjay Panchal, in relation to which Sion Investment Holdings Pte. Limited is the beneficial owner.*

10. The BRLMs and their respective associates as per definition of the term 'associate' under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares as on the date of this Prospectus. The BRLMs and their respective affiliates may engage in transactions with and perform services for our Company and the Promoter Selling Shareholder, in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company, our Subsidiaries and/or the Promoter Selling Shareholder, for which they may in the future receive customary compensation.

11. As on the date of this Prospectus, none of the Directors hold any Equity Shares and except for our Key Management Personnel, Pankaj Khandelwal, our President and Chief Financial Officer and Manjunath Rao Pare Parmeshwar, our President- Managed Services, who each individually hold one Equity Share in the capacity of a registered owner of Equity Share for which the beneficial ownership has been declared in favour of the Promoter, none of the Key Management Personnel hold any Equity Shares in their individual capacity.

12. As on the date of this Prospectus, our Company has seven Shareholders of whom six Shareholders are registered owners of Equity Shares for which the beneficial ownership has been declared in favour of the Promoter.

13. Our Company, our Directors and the BRLMs have not entered into any buy-back and/or standby arrangements for the purchase of Equity Shares.

14. No person connected with the Offer, including, but not limited to, our Company, the Promoter Selling Shareholder, the members of the Syndicate, our Directors or the members of our Promoter Group, offered any incentive, whether direct or indirect, in cash, in kind or in services or otherwise to any Bidder for making a Bid. Further, no payment, direct or indirect benefit in the nature of discount, commission (except underwriting commission that may be paid to the underwriters) and allowance or otherwise was offered or paid either by our Company or our Promoter to any person in connection with making an application for or receiving any Equity Shares pursuant to this Offer.

15. None of the Equity Shares are pledged or otherwise encumbered.

16. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Prospectus.

17. Our Company has not issued any Equity Shares out of revaluation reserves since incorporation. Our Company has not revalued its assets since incorporation.

18. There are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Prospectus. However, our Company has instituted CEO ESOP 2016, the Management ESOP 2016 and the Employees ESOP 2016, pursuant to which, stock options granted to employees may vest or be exercised in accordance with the respective terms of the employee stock option plans, from time to time. For details, see "*– Employee Stock Option Plans*" on page 85.

19. Except as stated in "- *Notes to Capital Structure – Share Capital History*" on page 83, as on the date of this Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act. Further, as on the date of this Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 230 to 233 of the Companies Act, 2013.

20. Except for any Equity Shares issued pursuant to exercise of options granted pursuant to the CEO ESOP 2016, the Employees ESOP 2016 and/or Management ESOP 2016, there will be no further issue of Equity Shares whether by way of issue of bonus shares, rights issue, preferential issue or any other manner during the period commencing from the date of filing of the Draft Red Herring Prospectus until the listing of the Equity Shares on the Stock Exchanges pursuant to the Offer.

21. Our Company presently does not intend or propose to nor has it entered into any negotiations or consideration to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or further issue of Equity Shares

(including issue of securities convertible into or exchangeable for, directly or indirectly into Equity Shares) except for allotment of Equity Shares pursuant to exercise of employee stock options, whether on a preferential basis or issue of bonus or rights or further public issue of Equity Shares or qualified institutions placement. However, (i) if our Company enters into arrangements for acquisitions, joint ventures or such other arrangements, our Company may, subject to necessary approvals and compliance with applicable law, consider raising additional capital to fund such activity through issue of further Equity Shares or issue its equity shares as consideration for such arrangements; or (ii) as an employee incentive and retention plan, it may consider and approve new employee stock option scheme, subject to necessary approvals and compliance with applicable law.

22. The members of our Promoter Group, or the directors of our Promoter, or our Directors and their immediate relatives have not sold or purchased any Equity Shares during the six months immediately preceding the date of this Prospectus.

23. There has been no financing arrangement whereby the members of our Promoter Group, or the directors of our Promoter, or our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in normal course of the business of the financing entity during the period of six months immediately preceding the date of the Draft Red Herring Prospectus and this Prospectus.

24. All transactions in Equity Shares by our Promoter and members of our Promoter Group between the date of filing of the Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transaction.

OBJECTS OF THE OFFER

The objects of the Offer are to (i) carry out the Offer for Sale of 50,925,925 Equity Shares (subject to finalisation of Basis of Allotment) by the Promoter Selling Shareholder aggregating to ₹11,000 million; and (ii) achieve the benefits of listing the Equity Shares on the Stock Exchanges. Our Company will not receive any proceeds from the Offer and all such proceeds (net of any Offer related expenses to be borne by the Promoter Selling Shareholder) will go to the Promoter Selling Shareholder. For details of the Promoter Selling Shareholder and the number of Equity Shares offered by the Promoter Selling Shareholder in the Offer see "*The Offer*" on page 67.

Further, our Company expects that listing of the Equity Shares will enhance our visibility and brand image and provide liquidity to our Shareholders and will also provide a public market for the Equity Shares in India.

Our Company will not directly receive any proceeds from the Offer (the "**Offer Proceeds**") and all the Offer Proceeds will be received by the Promoter Selling Shareholder.

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹565.40 million. The Offer expenses comprise, among other things, the listing fee, SEBI filing fee, underwriting fee, selling commission and brokerage, fees payable to the Book Running Lead Managers, legal counsels, auditors, other legal and financial advisors, certification expense, Registrar to the Offer, Escrow Collection Bank, processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, CRTAs and CDPs, fees payable to the Sponsor Banks for Bids made by RIBs using UPI mechanism, industry and market research report printing and stationery expenses, virtual data room expense, advertising and marketing expenses, insurance, travel and out of pocket expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. Except for listing fees which shall be solely borne by the Company, all Offer related expenses will be borne by the Promoter Selling Shareholder, in accordance with the Offer Agreement and applicable law.

The estimated Offer related expenses are as under:

Activity	Estimated Offer expenses (in ₹ million)	As a % of the total estimated Offer expenses	As a % of the total Offer size
BRLMs' fees and commissions (including underwriting commission, brokerage and selling commission)	303.85	53.74	2.76
Selling commission/processing fee for SCSBs and Bankers to the Offer, fee payable to the Sponsor Bank for Bids made by RIBs using UPI, brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs(1)(2)(3)	40.83	7.22	0.37
Fees payable to the Registrar to the Offer	0.03	0.01	0.00
Others			
- Listing fees, SEBI filing fees, upload fees, the Stock Exchanges processing fees, book building software fees and other regulatory expenses	45.00	7.96	0.41
- Printing and stationery	1.26	0.22	0.01
- Advertising and marketing expenses	24.94	4.41	0.23
- Fee payable to legal counsels	81.74	14.46	0.74
- Miscellaneous	67.76	11.98	0.62
Total estimated Offer expenses	**565.40**	**100.00**	**5.14**

(1) ***Selling commission payable to the SCSBs*** *on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the SCSBs, would be as follows:*

*Portion for Retail Individual Bidders**	*0.35% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*0.20% of the Amount Allotted (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.

The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

(2) ***Processing fees payable to the SCSBs*** *of ₹10/- per valid application (plus applicable taxes) for processing the Bid cum Application of Retail Individual Bidders and Non-Institutional Bidders procured from the Syndicate /Sub-Syndicate Members/Registered Brokers /RTAs /CDPs and submitted to SCSBs for blocking. SCSBs will be entitled to a processing fee of ₹10 (plus applicable taxes), per valid ASBA Form.*

(3) ***For Syndicate (including their Sub-syndicate members), RTAs and CDPs***

Brokerages, selling commission and processing/uploading charges *on the portion for Retail Individual Investors (using the UPI mechanism) and Non-Institutional Bidders which are procured by members of Syndicate (including their Sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:*

*Portion for Retail Individual Bidders**	*0.35% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*0.20% of the Amount Allotted (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

The selling commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

The payment of selling commission payable to the sub-brokers / agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.

The Selling Commission payable to the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

Uploading Charges/ Processing Charges of ₹30/- *valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs and CDPs:*

- *for applications made by Retail Individual Investors using the UPI Mechanism.*

Uploading Charges/ Processing Charges of ₹10/- *valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs and CDPs:*

- *for applications made by Retail Individual Bidders using 3-in-1 type accounts,*
- *for Non-Institutional Bidders using Syndicate ASBA mechanism / using 3- in -1 type accounts.*

The Bidding/uploading charges payable to the Syndicate / Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

For Registered Brokers

Selling commission payable to the registered brokers on the portion for Retail Individual Bidders & Non-Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows:

Portion for Retail Individual & Non- Institutional Bidders	*₹10 per valid application* (plus applicable taxes).* ** For each valid application.*

For Sponsor Bank

Processing fees for applications made by Retail Individual Bidders using the UPI Mechanism will be:

Sponsor Bank	*₹10 per valid Bid cum Application Form* (plus applicable taxes).* *The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank#, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.* ** For each valid application.*

#The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Monitoring of Utilization of Funds

As the Offer is an offer for sale of Equity Shares by the Promoter Selling Shareholder, our Company will not receive any proceeds from the Offer. Accordingly, no monitoring agency is appointed for the Offer.

Other Confirmations

Except to the extent of any proceeds received pursuant to the sale of Equity Shares by the Promoter Selling Shareholder, none of our Promoter, Directors, KMPs, Promoter Group will receive any portion of the Offer Proceeds.

BASIS FOR OFFER PRICE

The Offer Price is determined by our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Offer Price is 21.60 times the face value of the Equity Shares. Bidders should also see "*Our Business*", "*Risk Factors*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*" on pages 146, 25, 290 and 213, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which formed the basis for computing the Offer Price are:

1. Leading player in consolidating market with strong fundamentals;

2. Pan-India footprint with deep penetration in growing markets;

3. Integrated business platform offering a broad range of services and products;

4. Systems and processes to manage and scale an operationally complex business;

5. Track record of strong productivity and operational excellence; and

6. Experienced and highly qualified management team that have successfully grown our business.

For details, see "*Our Business – Our Strengths*" on page 148.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Financial Information. For details, see "*Financial Statements*" on page 213.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

A. Basic and Diluted Earnings Per Share ("EPS"), as adjusted for changes in capital:

As derived from the Restated Financial Information

Financial Year ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2021	11.39	11.09	3
March 31, 2020	9.10	8.87	2
March 31, 2019	6.50	6.33	1
Weighted average	**9.81**	**9.56**	
Five months ended August 31, 2021*	5.71	5.49	

** Not annualised*

Notes:

The ratios have been computed as under:

1. *Basic and diluted EPS: profit for the period/year attributable to equity shareholders of the Company divided by total weighted average number of equity shares outstanding during the period. Basic and diluted EPS are computed in accordance with Ind AS 33 - Earnings per share;*

2. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights*

B. Price/Earning ("P/E") ratio in relation to the Price Band of ₹205 to ₹216 per Equity Share:

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based on basic EPS for year ended March 31, 2021	18.00	18.96
Based on diluted EPS for year ended March 31, 2021	18.49	19.48

Industry Peer Group P/E ratio

Particulars	P/E Ratio
Highest	18.83
Lowest	18.83
Average	**18.83**

C. Return on Net Worth ("RoNW")

As derived from the Restated Financial Information:

Financial Year ended	RoNW (%)	Weight
March 31, 2021	17.12	3
March 31, 2020	15.84	2
March 31, 2019	12.89	1
Weighted Average	**15.99**	
Five months ended August 31, 2021*	7.97	

** Not annualised*

Notes:

The ratio has been computed as under:

*1. Return on net worth %: Profit after tax for the period/year attributable to equity shareholders of the Company divided by net worth as attributable to equity shareholders of the Company at the end of the year*100.*

2. Net worth, restated and consolidated, means the aggregate of share capital and other equity (including capital reserve and share options outstanding account) on restated basis

3. The Weighted Average Return on Net Worth is a product of Return on Net Worth and respective assigned weight, dividing the resultant by total aggregate weight. i.e. (RoNW x Weight) for each year/Total of weights

As the Offer consists only of an offer for sale by the Promoter Selling Shareholder, there will be no change in the Net Worth post completion of the Offer.

D. Net Asset Value ("NAV") per Equity Share

Financial Year ended/ Period ended	Restated Financial Information (₹)
As on August 31, 2021	71.58
As on March 31, 2021	66.52
Offer Price	66.52

Notes:

NAV per Equity Share (in ₹): NAV per Equity Share is calculated by dividing net worth by number of equity shares outstanding at the end of the year.

As the Offer consists only of an offer for sale by the Promoter Selling Shareholder, there will be no change in the NAV post completion of the Offer.

E. Comparison with Listed and Unlisted Industry Peers

Our Company is in cash management and managed services industry. We believe none of the listed companies in India are exclusively engaged in the portfolio of business similar to ours, there is, however, one other listed company in India that also provides cash management services, among other services, through its joint ventures.

Name of the company	Total income (₹ in million)	Face Value per equity share (₹)	P/E	EPS (Basic) (₹)	EPS (Diluted) (₹)	RoNW (%)	NAV per equity share @ (₹)
Company*	13,219.21	10	18.96	11.39	11.09	17.12	66.52
Listed Peers#							
SIS Limited	96,050.98	5	18.83	24.85	24.73	20.06	123.45
Unlisted Peers#							
AGS Transact	17,971.52	10	NA	4.62	4.55	10.29	47.11

Name of the company	Total income (₹ in million)	Face Value per equity share (₹)	P/E	EPS (Basic) (₹)	EPS (Diluted) (₹)	RoNW (%)	NAV per equity share @ (₹)
Technologies Limited							
Radiant Cash Management Services Limited	2,241.58	1	NA	3.20	3.20	25.52	12.55

#Source: All the financial information for listed industry peer mentioned above is on a consolidated basis and is sourced from the annual audited financial results of the company for the year ended March 31, 2021. All the financial information for unlisted industry peer mentioned above is on a consolidated basis and is sourced from the draft red herring prospectus of the company filed with SEBI.

**Source for our Company: Based on the Restated Financial Information for the year ended March 31, 2021.*
Basic and diluted EPS are computed in accordance with Ind AS 33 - Earnings per share.

Notes:
(1) P/E Ratio has been computed based on the closing market price of equity shares on BSE on December 10, 2021, divided by the basic EPS.

(2) Net Profit is the Profit for the period/year attributable to equity shareholders of the Company

(3) Return on net worth %: Profit for the period/year attributable to equity shareholders of the Company divided by net worth as attributable to equity shareholders of the Company at the end of the year

(4) Net worth has been computed as sum of paid-up share capital and other equity.

(5) NAV is computed as the closing net worth divided by the closing outstanding number of equity shares.

F. The Offer Price is 21.60 times of the face value of the Equity Shares

The Offer Price of ₹216 has been determined by our Company and the Promoter Selling Shareholder in consultation with the BRLMs, on the basis of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*" on pages 25, 146, 290 and 213, respectively, to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" on page 25 and you may lose all or part of your investment.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,
The Board of Directors
CMS Info Systems Limited
T-151, 5th Floor, Tower No. 10
Railway Station Complex, Sector-11
CBD Belapur
Navi Mumbai 400 614

08 December 2021

Dear Sirs

Subject: Statement of possible special tax benefits ("the Statement") available to CMS Info Systems Limited ("the Company"), its material subsidiary and its shareholders prepared in accordance with the requirement under Schedule VI – Part A - Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("the ICDR Regulations")

This report is issued in accordance with the Engagement Letter dated 6 August 2021.

We hereby report that the enclosed Annexure II prepared by the Company, signed by us and the Company for identification purpose, states the possible special tax benefits available to the Company, its Shareholders and Securitrans India Private Limited ("its Material Subsidiary" or "SIPL") under direct and indirect taxes (together "the Tax Laws"), presently in force in India as on the signing date, which are defined in Annexure I. Material subsidiary identified in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, includes a subsidiary whose income or net worth in the immediately preceding year (i.e. 31 March 2021) exceeds 10% of the consolidated income or consolidated net worth respectively, of the holding company and its subsidiaries in the immediate preceding year.

These possible special tax benefits are dependent on the Company, its Material Subsidiary and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company, its Material Subsidiary and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company and its Material Subsidiary may face in the future and accordingly, the Company, its Material Subsidiary and its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure II cover the possible special tax benefits available to the Company, its Material Subsidiary and its shareholders do not cover any general tax benefits available to them. Further, the preparation of the enclosed Annexure II and its contents is the responsibility of the management of the Company and is not exhaustive. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice.

In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company comprising an offer for sale of equity shares by shareholder (the "Proposed Offer") particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on this Statement.

For the purposes of this certificate, we read the certificate dated 8 December 2021 of the other auditor (JMT & Associates, Chartered Accountants) in respect of SIPL and our procedures which in so far in respect of SIPL is concerned, consisted solely of reading of the certificate.

We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" ("**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Charted Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We do not express any opinion or provide any assurance as to whether:

(i) the Company, its Material Subsidiary and its shareholders will continue to obtain these possible special tax benefits in future; or

(ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of enclosed Annexure is based on the information, explanation and representations obtained from the Company and its Material Subsidiary, and on the basis of our understanding of the business activities and operations of the Company and its Material Subsidiary.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We hereby give consent to include this Statement in the Red Herring Prospectus, the Prospectus and in any other material used in connection with the Proposed Offer, and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **B S R & Co. LLP**
Chartered Accountants
ICAI firm registration number: 101248W /W-100022

Koosai Lehery
Partner
Membership No.: 112399
ICAI UDIN: 21112399AAAAEO2930

Place: Mumbai
Date: 08 December 2021

cc:

Axis Capital Limited
1st Floor, Axis House, C-2,
Wadia International Centre, P.B. Marg
Worli, Mumbai – 400 025

JM Financial Limited
7th Floor Cnergy
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025

Jefferies India Private Limited
42/43, 2 North Avenue Maker Maxity
Bandra-Kurla Complex Bandra (East),
Mumbai 400 051

DAM Capital Advisors Limited

(*Formerly IDFC Securities Limited*)
One BKC, Tower C, 15th Floor, Unit No.1511
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051

ANNEXURE I

LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')

Sr. No.	Details of tax laws
1	Income-tax Act, 1961 and Income-tax Rules, 1962
2	Central Goods and Services Tax Act, 2017
3	Integrated Goods and Services Tax Act, 2017
4	Goods and Services Tax legislations as promulgated by various states
5	Goods and Services Tax (Compensation to States) Act, 2017
6	Customs Act, 1962
7	Customs Tariff Act, 1975
8	Foreign Trade Policy

ANNEXURE II

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY, ITS MATERIAL SUBSIDIARY AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES ("TAX LAWS") IN INDIA

Outlined below are the possible special tax benefits available to the Company, its material subsidiary and its shareholders under the Tax Laws in force in India. These possible special tax benefits are dependent on the Company, its material subsidiary or its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company, its material subsidiary or its shareholders to derive the possible special tax benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfil.

UNDER THE TAX LAWS

A. Special tax benefits available to the Company and its Material Subsidiary

No special tax benefits are available to the Company and its material subsidiary

B. Special tax benefits available to Shareholders

No special tax benefits are available to the Shareholders

NOTES:

1. The above is as per the Current Tax Laws.

2. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company

3. This Statement does not discuss any tax consequences in any country outside India of an investment in the shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

For **CMS Info Systems Limited**

Authorized Signatory

Pankaj Khandelwal
Chief Financial Officer
Place: Mumbai
Date: 08 December 2021

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

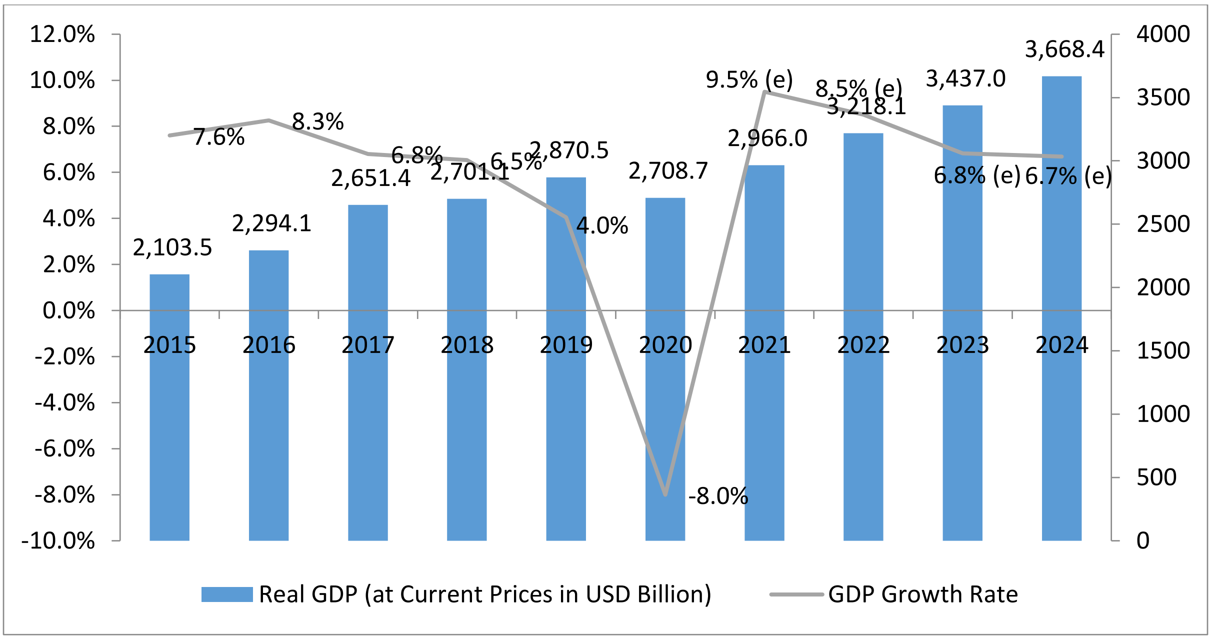
The information in this section is derived from industry sources including an industry report entitled "Assessment of Cash Management Services Market in India" dated October 25, 2021 that we have commissioned Frost & Sullivan, an independent third-party industry consultant, to prepare, which is included in the material contracts and documents available for inspection and can be found at www.cms.com/investor-relations.php. The Frost & Sullivan report does not form part of this Prospectus, and you should only rely on the contents of the Red Herring Prospectus and this Prospectus for purposes of making an investment decision in the Equity Shares. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.

Macroeconomic overview

India's economic growth

The International Monetary Fund ("**IMF**") has provided various estimates regarding the growth of the world economy and the economies of various nations. Based on such estimates, the world economy is expected to rise by 5.9% in 2021 and 4.9% in 2022. India's gross domestic product ("**GDP**") is forecasted to grow at the rate of 9.5% in 2021, which is the highest among the G20 countries. This forecasted growth rate is greater than that of China's (8.0%), which comes in second. India is also expected to register a GDP growth of 7.9% per annum between 2020 to 2024, compared to a global growth of 2.5% for the same period.

The following graph sets out the GDP growth of India between 2015 and 2024:



Source: IMF World Economic Outlook, October 12, 2021 and Frost & Sullivan analysis
Note: "(e)" means estimated projection

<u>Market drivers for economic growth in India</u>

There are various market drivers for economic growth in India and these are set out below.

Growth of middle-class income: The middle-income category is projected to grow rapidly between 2018 and 2030, accounting for approximately 78% of the total income of the population by 2030 up from approximately 54% in 2018. The increasing disposable income of the middle class will lead to more discretionary expenditure made by consumers from this class, which will lead to a rise in transactions, the volume of cash movement in the economy and other ancillary effects in the market during the said period.

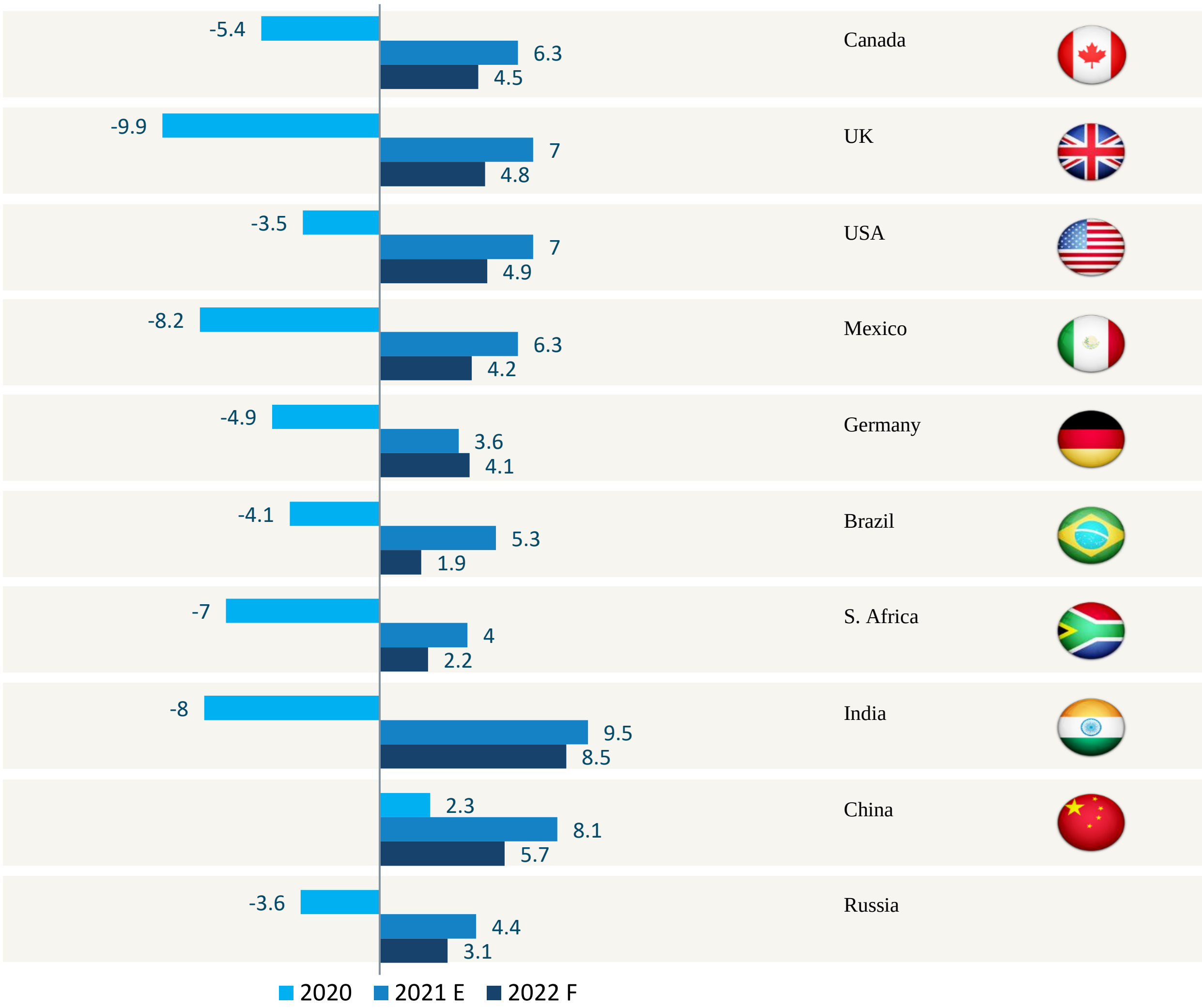
Growth in the size of working population: Contrary to the trend of the working population contracting in China, the size of India's working population is expected to grow between 2015 and 2030. The working population is expected to increase from 61% of the total population in 2011 to 65% of the total population in 2036, with 12 million people being added to the pool each year. A bigger working population means that there will be more savings and tax revenues in the economy that can help fund investments across the country. This growth in the working population may potentially contribute to the country's economic growth.

Government support: The government has introduced various initiatives and implemented various measures to attract more investments. Such initiatives and measures include reductions in taxes, a focus on improving the rural sector's capacity to spend, infrastructure creation and inviting foreign investments into the country.

India's Accelerated Economic Rebound

Covid-19 had a significant impact (such as affecting GDP growth) on all major economies in the world, including India in 2020. With India's increased vaccination drive and its economic recovery owing to the opening up of its economy, it is expected to become one of the fastest growing economies globally in the medium-term.

The graph below sets out the GDP growth of various countries (actual, estimated or forecasted) between 2019 and 2022:



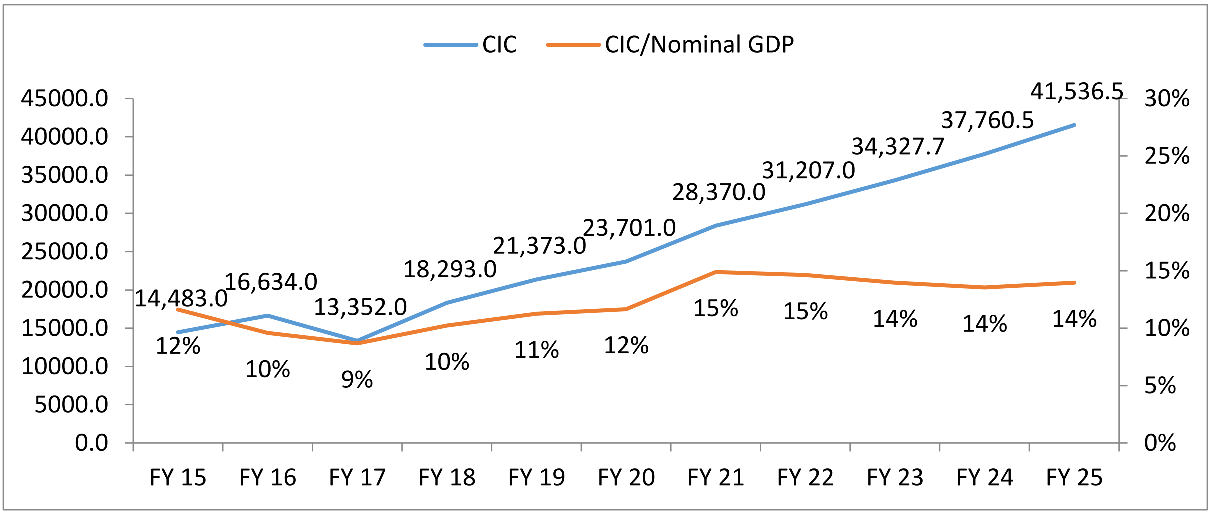
Source: IMF World Economic Outlook, October 12, 2021
Note: GDP growth rates are expressed in percentages; "E" means estimates and "F" means forecast

Currency in circulation and its impact on the economy

The cash in circulation ("**CIC**") is the total of cash with banks and currency with the public. The CIC in India has grown at approximately 19.8% between March 2020 and March 2021 to approximately ₹28.4 trillion. As at August 2021, the CIC in India was ₹29.5 trillion. The growth in CIC between March 2020 and March 2021 was 19.8% despite Covid in the last fiscal year while CIC/GDP reached 15% in Fiscal Year 2021.

Macroeconomic deviations (for example, the imposition of goods and services taxes, demonetization and the onset of Covid-19) have not impacted India's CIC growth in the long run. The study of CIC in analogous contexts globally, and the Reserve Bank of India ("**RBI**")'s own view of CIC suggests that there is little or no correlation between CIC and digital payment penetrations and that CIC will grow in line with nominal GDP. In fact, CIC as a percentage of GDP grew by three to five percentage points as digital payments grew by more than 50% in most economies with high digital payment penetrations. Going forward, CIC is expected to grow at approximately 10% to reach ₹41.5 trillion by Fiscal Year 2025 in India, as shown by the graph below.

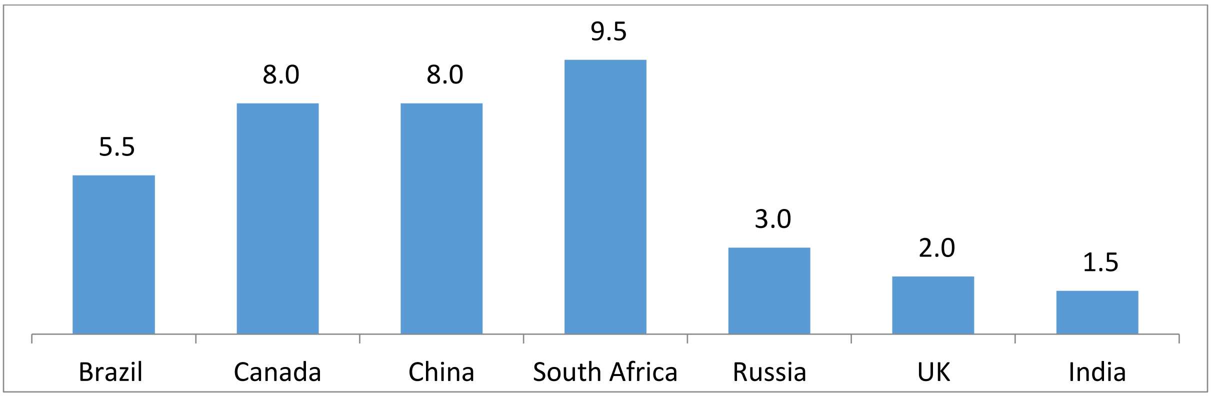
Growth of CIC (in INR billion), 2015-2024



Note: Data forecast and projections as of September 2021 *Source*: RBI; Frost & Sullivan.

Cash velocity (ATM Withdrawal) / CIC in India and comparison across countries

Because of a strong informal economy, low ATM penetrations and cash's role as a store of value in India, a significant part of the cash in India does not flow in the ATM / banking system. Further, cash velocity in India in 2020, measured by ATM withdrawals is approximately 17% of GDP or 1.5 times of CIC, which is much lower compared to the countries specified in the graph below:



Source: OECD, IMF and other secondary sources

This indicates that there is significant headroom for growth in India for the volume of cash circulated through the ATM / banking system.

The banking industry in India

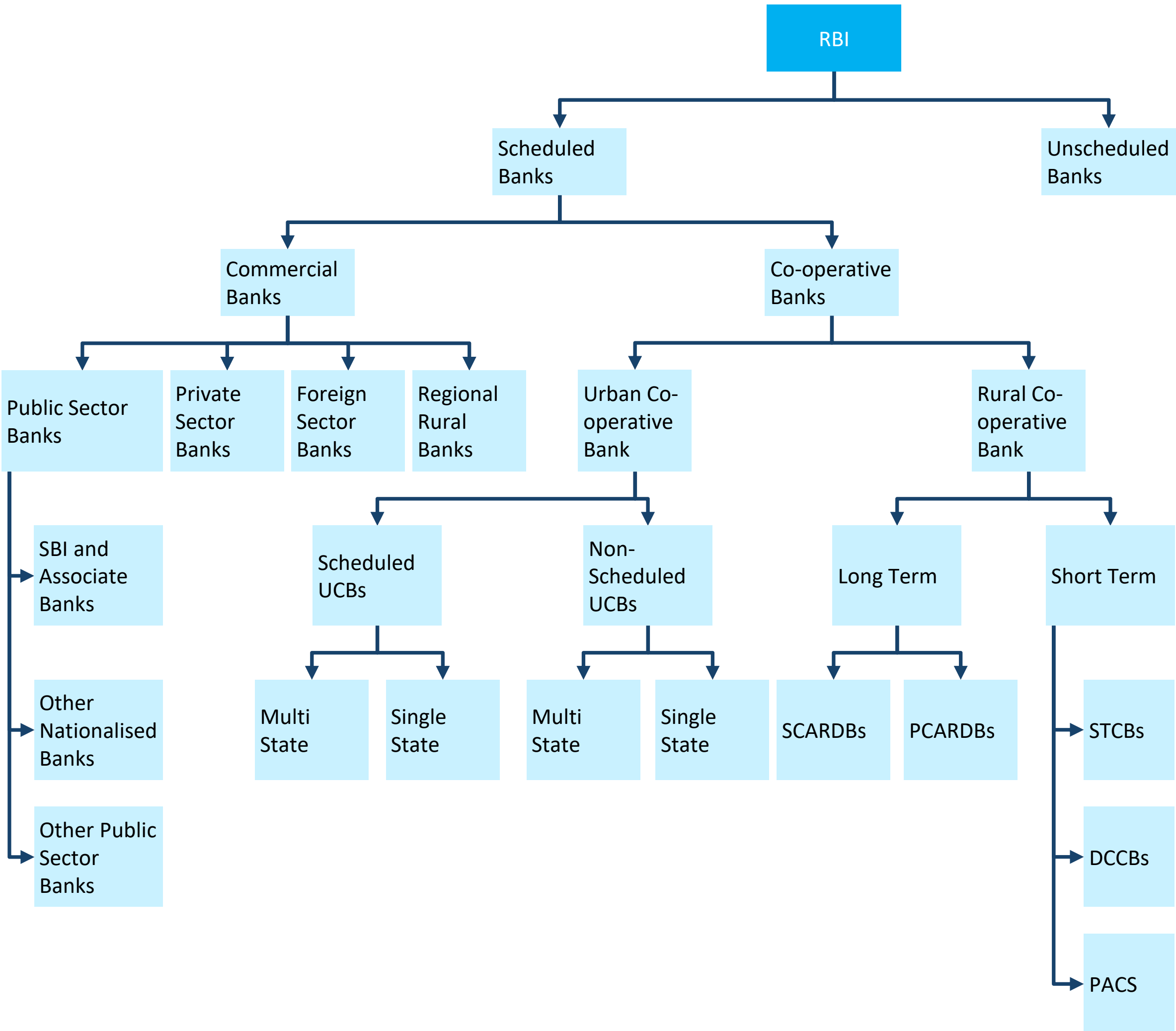
The banking industry in India comprises the following types of financial institutions:

- **Scheduled commercial banks ("SCBs")**: SCBs provide various banking products and services across all geographies in India and abroad to retail, corporate and government sectors. Based on their ownership structure, banks in India are grouped as public sector banks ("**PSBs**") (comprising the State Bank of India ("**SBI**"), IDBI Bank Limited and 19 nationalized banks and private sector banks (comprising 32 Indian banks, 44 foreign banks and 56 regional rural banks, which were created with a view to serve primarily the rural areas of India with basic banking and financial services).

- **Local area banks ("LABs")**: LABs are not SCBs and they were established as local banks in the private sector with jurisdiction over two to five contiguous districts to make available the rural savings of these districts for loans and investments in the districts.

- **Co-operative banks**: These comprise urban co-operative banks ("**UCBs**") and rural co-operative credit institutions.

The chart below shows the different types of financial institutions in the Indian banking sector:



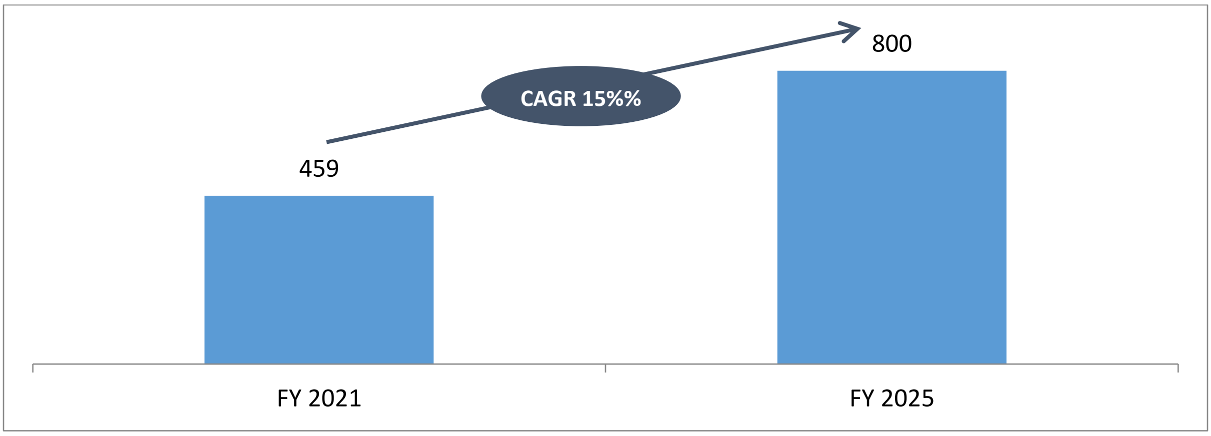
Source: RBI

Growth of India's financial services market

India has a diverse financial services sector comprising commercial banks, insurance firms, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial institutions. This sector is rapidly expanding, both in terms of established financial services firms growing robustly and new players entering the market. Players with new business models, such as payment banks, have recently been allowed to be established in India by India's banking regulator. This has expanded the types of financial services firms that operate in the banking industry. Notwithstanding this, India's financial sector remains primarily a banking sector, with commercial banks holding more than 64% of the financial system's total assets. The number of bank account holders in India has increased from 30 crore in Fiscal Year 2012 to 95 crore in Fiscal Year 2021, underscoring the growth that has taken place.

Indian financial services market will continue to grow at a healthy pace (as shown in the chart below) driven by significant under penetration of financial products and services:

Indian financial services market size (in USD billions) between 2021 to 2025



Note: Data forecast and projections as of September 2021 *Source*: Frost & Sullivan; Secondary sources.

Such under penetration is reflected as follows:

- **ATM penetration**: The ATM penetration rate in India is approximately 22 ATMs per 100,000 individuals at an overall level with semi-urban / rural ("**SURU**") areas being acutely underpenetrated at 15 ATMs per 100,000 individuals as of 2020. In contrast, the penetration rate for USA, Brazil, China and Mexico is 123, 103, 95 and 62 respectively per 100,000 individuals as of 2020. The global average for ATM penetration stands at 47 ATMs per 100,000 individuals.

- **POS penetration**: India's POS penetration rate is also significantly less compared to the rates in China and Mexico. India's POS penetration rate is 3 per 1,000 individuals as of 2020 while those of China and Mexico are 23 and 8 per 1,000 individuals, respectively as of 2020.

- **Credit cards**: With respect to credit cards, India is one of the least penetrated regions with a credit card penetration rate of 3 per 100 individuals.

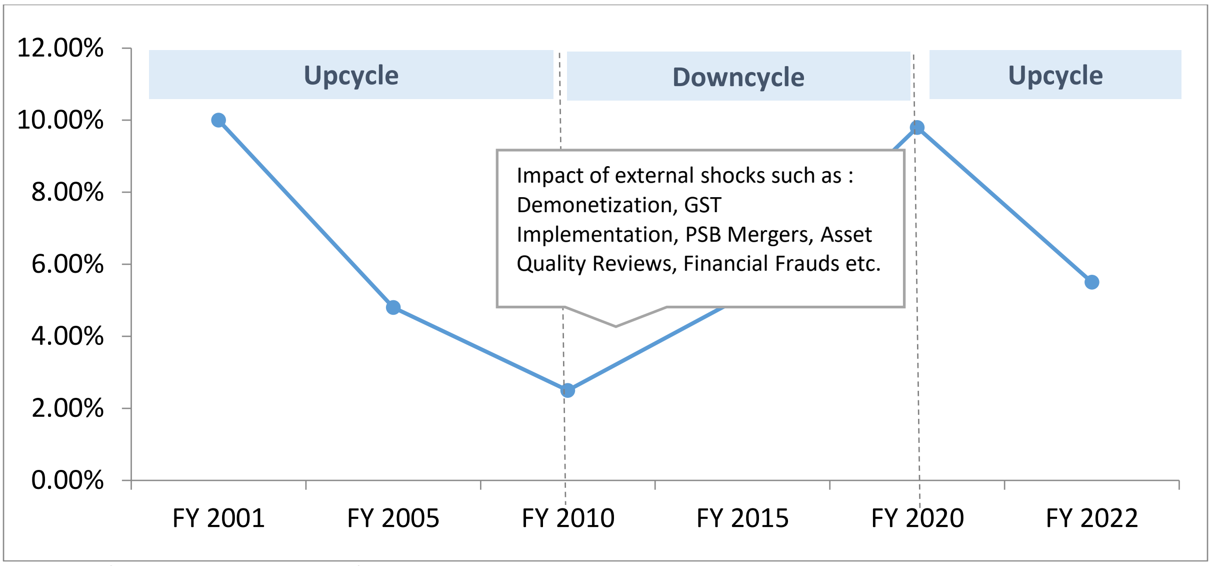
- **Insurance**: Insurance plays a significant role with respect to the financial services market and India's under penetration with respect to insurance is evident from the fact that only 35% of individuals are covered by health insurance in the country.

- **Loans**: Less than 10% of the population has access to credit loans in the country.

- **Investments**: India only has approximately 2 million to 4 million retail investors out of 550 million people in its workforce.

The Indian banking sector is poised for a growth phase, coming out of an extended period of capex stagnation and credit down-cycle over the last five years on account of high non-performing asset ("**NPA**") levels, demonetization, good and services tax ("**GST**") implementation and PSU mergers. The upcycle is expected to drive expansion into SURU areas and investments in infrastructure, including ATMs. This will drive opportunities for a variety of businesses that provide services to banks, including cash management companies.

The chart below shows India's NPA as a percentage of advances between Fiscal Year 2001 and Fiscal Year 2022:



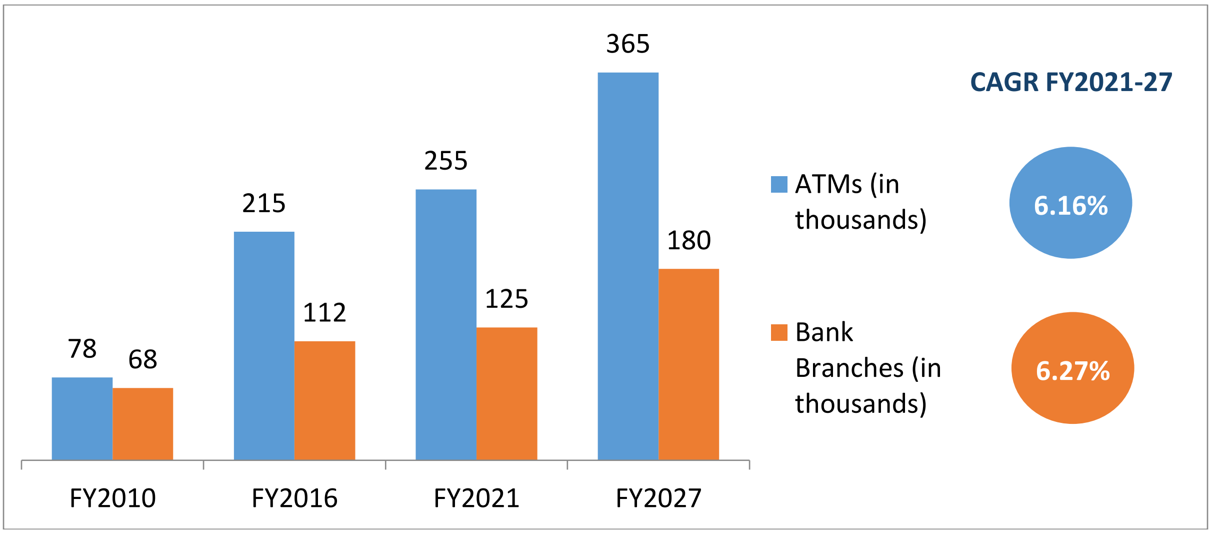
Note: Data forecast and projections as of September 2021 *Source*: RBI; Secondary sources.

Faster growth of ATMs

The number of ATMs grew at a CAGR of 20% between Fiscal Year 2011 and Fiscal Year 2016, but the increase between Fiscal Year 2016 and Fiscal Year 2021 slowed down to a 3% CAGR (reaching 255,000 ATMs) due to demonetization, PSB consolidation, and the balance sheet difficulties of PSBs. Given the government's focus on recapitalization and financial inclusion, banks are expected to accelerate retail expansion going forward (both in terms of increasing the number of branches and ATMs).

Private banks have stepped up their efforts to expand the number of branches in rural and semi-urban areas in order to capitalize on the opportunities presented by rural economic growth fueled by government policies and consumer habits. ATMs have the potential to play a significant role in the financial inclusion of India's rural population, allowing them to take use of more value-added services. The number of ATMs in India is expected to increase from 255,000 as of March 31, 2021 to 365,000 as of March 31, 2027, representing a CAGR of 6.16%.

Despite the government's (including RBI's) attempts to promote financial inclusion, owing to a lack of last-mile connectivity and infrastructure gaps, a large percent of the population in India remained unbanked. Such underpenetrated zones offer room for the number of ATMs and banks branches to increase. The graph below shows the growth in the number of ATMs and bank branches between Fiscal Year 2010 and Fiscal Year 2027.



Note: Data forecast and projections as of September 2021 *Source*: RBI; Frost & Sullivan.

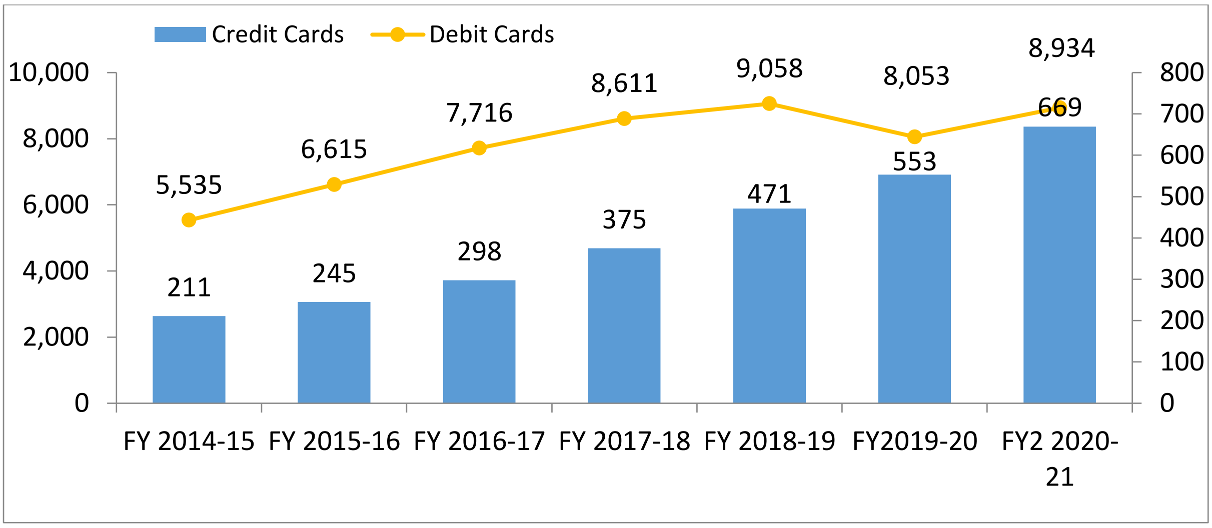
When a transaction is made at an ATM, an ATM interchange fee is paid by the bank that issues the ATM card to the bank whose ATM is used to withdraw cash. RBI approved an increase in the interchange fees for financial transactions from ₹15 to ₹17 and from ₹5 to ₹6 for non-financial transactions effective August 1, 2021. The regulation is expected to spur ATM deployment across the country especially in SURU areas with low penetration.

Debit card and credit card penetration

According to data from RBI, the growth rate for the number of debit cards issued declined between March 2018 and March 2019. Compared to a 12% growth rate between 2017 and 2018, the growth rate for debit cards issued was only 5% between 2018 and 2019. This was due to RBI's directive that all magstripe cards be replaced with EMV chips by March 2019. While this initially slowed down the growth in the number of debit cards issued, eventually the number of debit cards issued increased after 2020. In Fiscal Year 2021, the number of debit cards and credit cards stood at 893.4 million and 66.9 million. However, as of August 2021, there were 913.8 million debit cards and 63.9 million credit cards issued in India, indicating a relatively positive growth for debit cards in India.

The average value of a debit card transaction is a fraction of the average value of a credit card transaction. The large number of debit cards that have been issued compared to the number of credit cards issued has resulted in the average number of credit card transactions per month, far outnumbering the average number of credit card transactions per month. As of 2021, there are 15 debit cards for every credit card issued. This has resulted in debit transactions far outnumbering credit transactions in any given period. Debit cards are primarily used to make withdrawals from ATMs. There is a positive association between ATM withdrawals and debit card withdrawals. The use of debit cards for ATM withdrawals is 6.7 times that of POS terminals as of August 2021.

The graph below shows the rise in the number of debit and credit cards issued (in 100,000's) in India between 2015 and 2021:

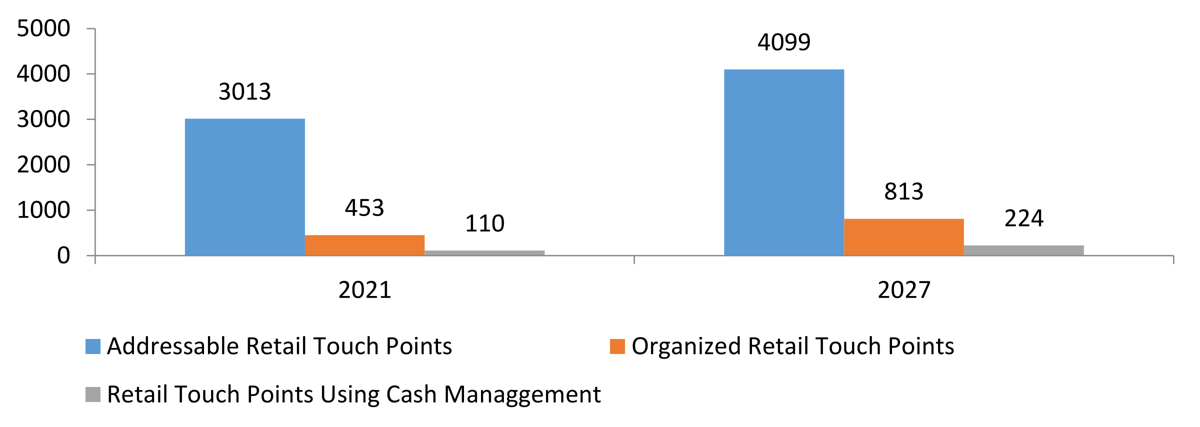


Source: RBI and Bloomberg
Note: Data as of 31 March of each fiscal year mentioned in the graph

Retail Market in India

Due to the introduction of various businesses with novel business models, the retail industry has become one of the most dynamic and fast-paced industries in India. It generates over 10% of India's GDP and employs about 8% of India's workforce. India is the world's fourth largest retail destination, and ranks 63rd in the World Bank's Ease of Doing Business 2020 report, moving up 14 spots compared to the previous year.

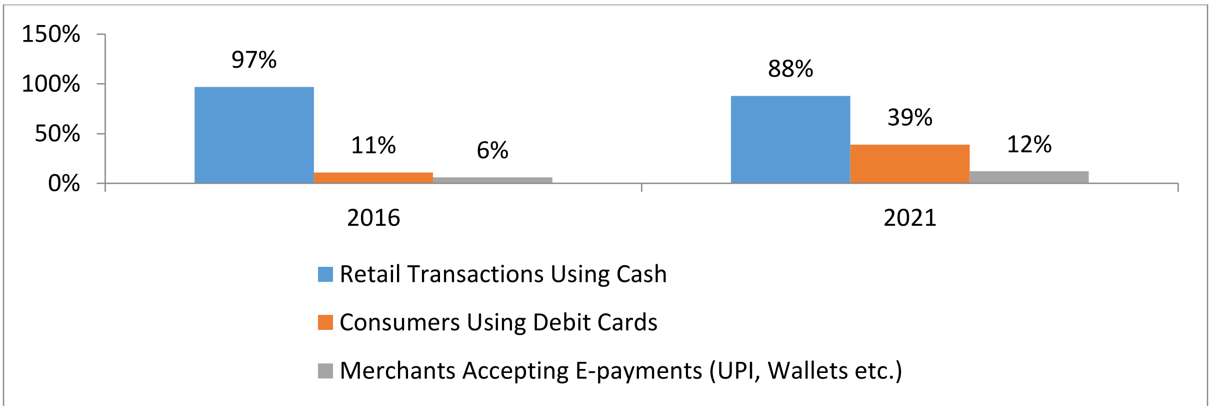
There are approximately 3 million retail touch points in India, addressable for cash management services in Fiscal Year 2021. Of this, about 453,000 retail points come under the organized sector (approximately 15% of the total addressable market). As of Fiscal Year 2021, only 20% to 25% of this organized retail touch points are utilizing cash management services and their number currently stands at 110,000. By Fiscal Year 2027, the number of addressable retail touch points for cash management is expected to rise up to 4 million and subsequently the organized retail touch points are expected to increase up to 813,000 (owing to increase in the penetration of organized retail). Hence, by Fiscal Year 2027, the total number of organized retail outlets available for cash management is expected to reach 224,000. This growth is illustrated by the graph (which shows growth of retail touch points (in thousands) below:



Note: Data forecast and projections as of September 2021 *Source*: Frost & Sullivan; Secondary sources.

Payments for transactions in cash still dominate the Indian retail sector as most of the non-cash payment methods are not available to most of India's population living in rural areas where net banking and other non-cash payment methods have not yet been implemented. Cash still dominates as the most preferred method of payment for retail purchases in these rural areas.

The volume of retail transactions (in percentages) settled by cash payments versus non-cash payments in 2016 and 2021 is illustrated by the following:

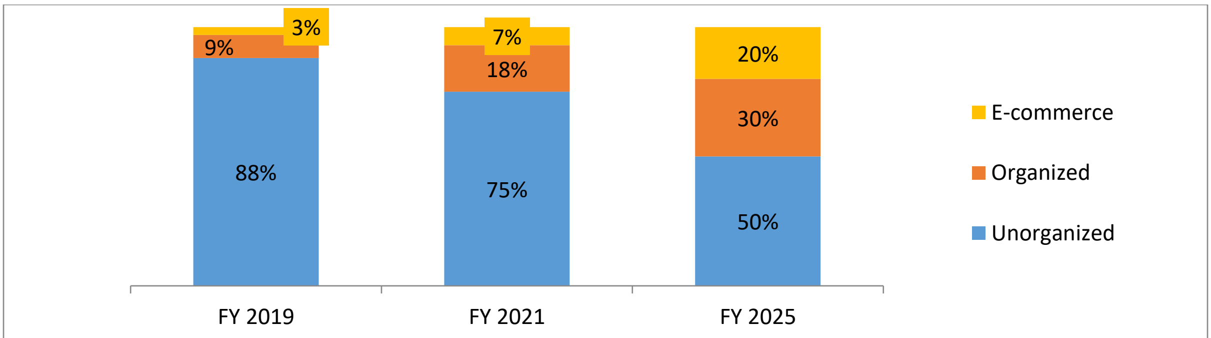


Note: Data forecast and projections as of September 2021 *Source*: Frost & Sullivan; Secondary sources.

As illustrated by the graph below:

- India's unorganized retail, organized retail and e-commerce accounted for 88%, 9% and 3% respectively of the retail market in Fiscal Year 2019. In Fiscal Year 2021, these percentages stood at 75%, 18% and 7% respectively.

- India's organized retail market is increasing at a 20% to 25% annual rate and is expected to contribute to 30% of the retail market by Fiscal Year 2025.



Note: Data forecast and projections as of September 2021 *Source*: IBEF; Frost & Sullivan; Secondary sources.

Impact of Covid-19 on industry

- During the initial phase of Covid-19, people all over the world were concerned about the transmission of the virus through banknotes. But such concerns were quickly allayed by the World Health Organization (WHO) that was quick to explain that such concerns were baseless.

- Another key observation was with respect to the significant increase in the CIC for India, which saw an expansion of 19.8% in Fiscal 2021 as compared to a 10.8% growth in Fiscal 2020. Such an increase in CIC stems from the tendency to hoard cash during times of uncertainty to meet liquidity requirements. This shows that currency is still considered as a store of value during volatile situations and this trend is expected to continue.

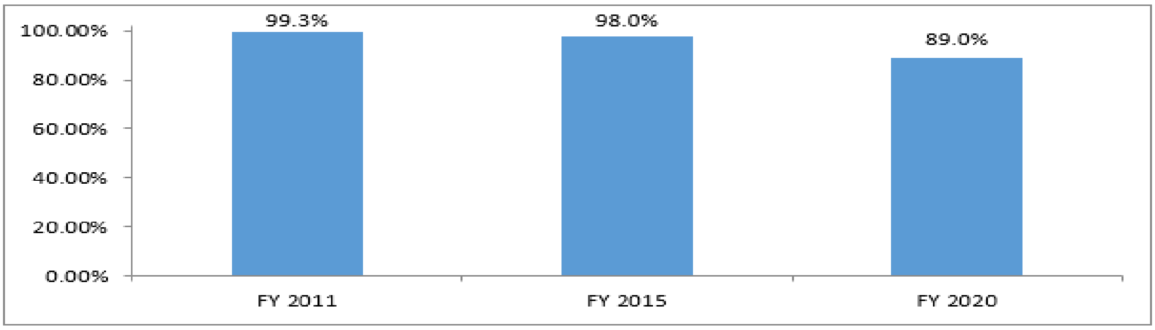
- As many businesses faced a slowdown in their operations owing to multiple lockdowns during the initial phases of Covid-19, the government declared cash management as an essential service during such period. Mobile ATMs provided Indian residents with the ability to securely withdraw cash without risking themselves. The vehicles involved in cash management, like dedicated cash-in-transit vans ("**DCV**") were permitted even during strict lockdown periods. Cash officers were instructed to use sanitizers while handling cash and ATMs, which also included the wiping of the keypads of ATMs after filling the ATMs with cash.

- To adapt to the new normal, several banks have been installing new self-service technologies in ATMs, as well as software changes that will improve the availability of ATMs, reduce ATM failure and reduce the need to make support calls. As a result of these measures, ATMs can handle increased volumes of transactions and cash deposits. These measures also enhance social distancing and safer transactions.

India's cash economy

Cash intensity in India

India has traditionally been a cash economy and transactions are predominantly cash-based although in recent years, the percentage of transactions settled in cash has been declining steadily due to the increase in transactions settled by digital payments. As shown in the graph below, approximately 89.0% of all transactions by volume in India were cash-based in 2020, down from 99.3% in 2011:



Source: Business Standard, Livemint and Bloomberg.

This means that despite an increase in digital transactions in India, most payment transactions are still cash payments. In Fiscal Year 2021, approximately 85% to 88% of all payment transactions are anticipated to be cash payments.

While the government has been trying to raise awareness about digital payments, banks have maintained an ongoing effort to register merchants to join the digital payments ecosystem, and these have resulted in an increase in the number of digital transactions, cash still reigns supreme in India. It is seen as a convenient mode of transactions for citizens in semi-urban and rural areas. Due to the scarcity of alternatives, the public's general acceptance of cash and the lack of transaction costs in utilizing cash for payments, cash is the bedrock of daily life in India as reflected by the following key factors:

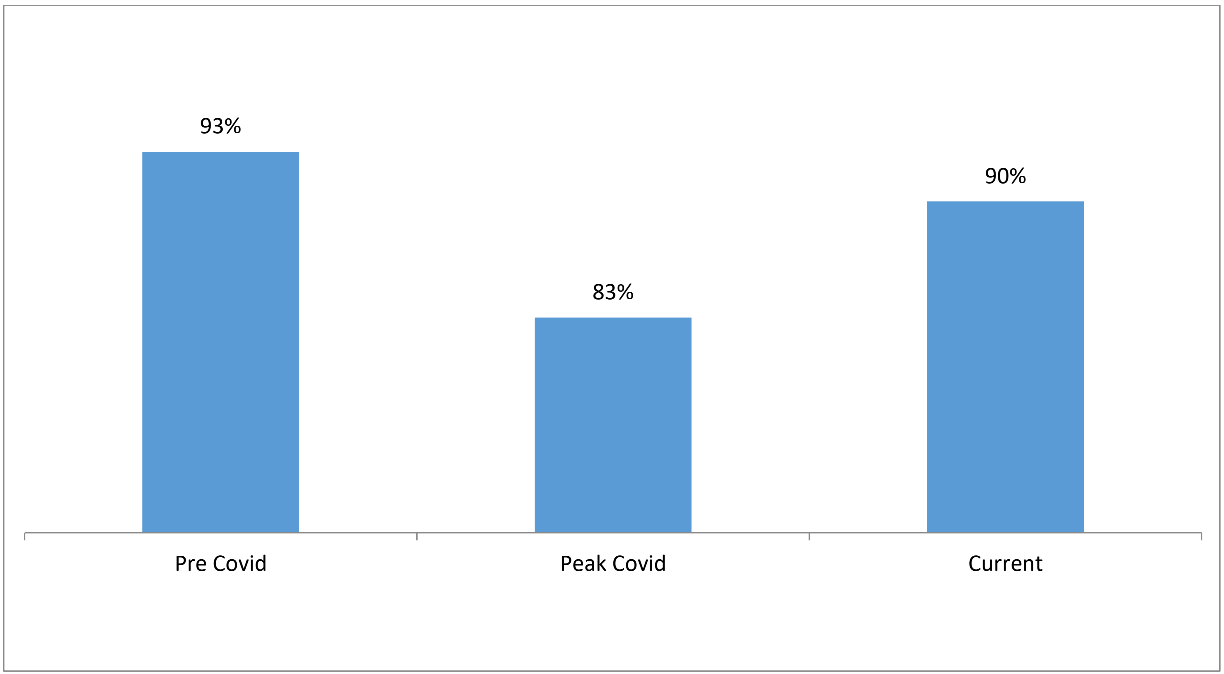
- Transactions made by households that make less than ₹ 4,000 per month, transactions in tier 2+ cities (i.e. cities that are not in the top 40 cities) and transactions with micro and small merchants who accept only cash account for 70% of India's domestic consumption.

- The informal economy (which is significantly connected with cash usage) has traditionally contributed between 40% to 50% of India's GDP growth.

Cash also retains some inherent advantages over other forms of payment, particularly for small-value transactions (e.g., store of value, availability, legal tender, etc.) and has remained at 40% or more of all transactions (by value) even in advanced economies with well-developed digital payment infrastructure. Debit cards are facilitators of cash withdrawals and owing to a low POS penetration, the debit card ATM usage to POS usage stood at a ratio of 6.7:1 as of August 2021, making debit cards the single most prevalent payment instrument covering over 800 million Indians.

Cash usage before and during Covid-19

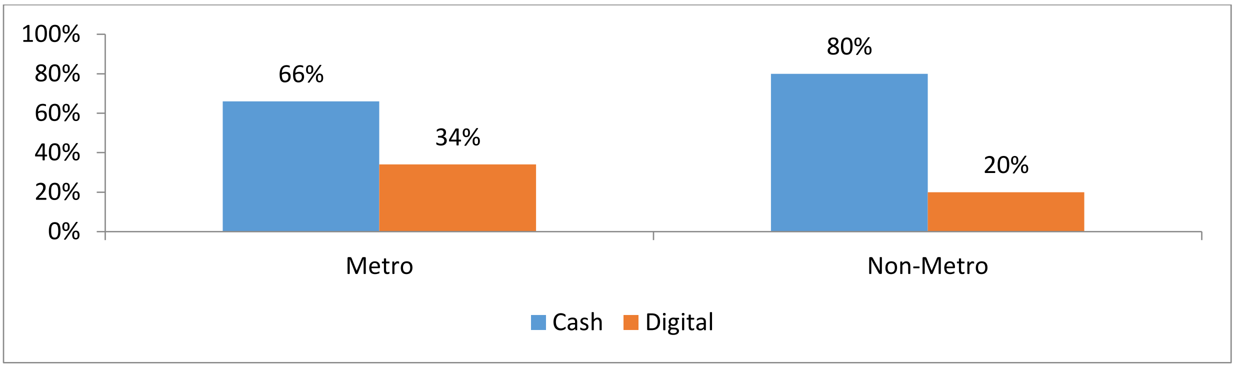
The usage of cash for transactions in the Indian economy has shown resilience even with Covid-19. While the volume of transactions in cash declined 12% during the peak of Covid-19 compared to the months immediately preceding Covid-19, with the Covid-19 situation improving, the average volume of transactions in cash for the Covid-19 period (till March 2021) is at 90% of the volume immediately preceding Covid-19. The percentages of merchants indicating that the majority of transactions processed by them are in cash for different periods up to March 2021 are shown below:



Source: Redcore Analysis Survey, March 2021.

Covid-19 has resulted in a shift in cash usage, with consumers withdrawing bigger sums from ATMs. The average withdrawal size has increased by over 20% compared to the period immediately preceding Covid-19 as people choose to withdraw larger amounts of cash for stockpiling. While the number of cash withdrawals increased during the peak Covid-19 period, the number of cash transactions with respect to merchant payments declined slightly. , As of July 2021, in both rural and urban India, the average size of cash withdrawn (total cash transacted divided by the number of people making such transactions) from ATMs has increased by 20% from ₹3,000 to ₹4,000, up from ₹2,000 to ₹3,000 previously.

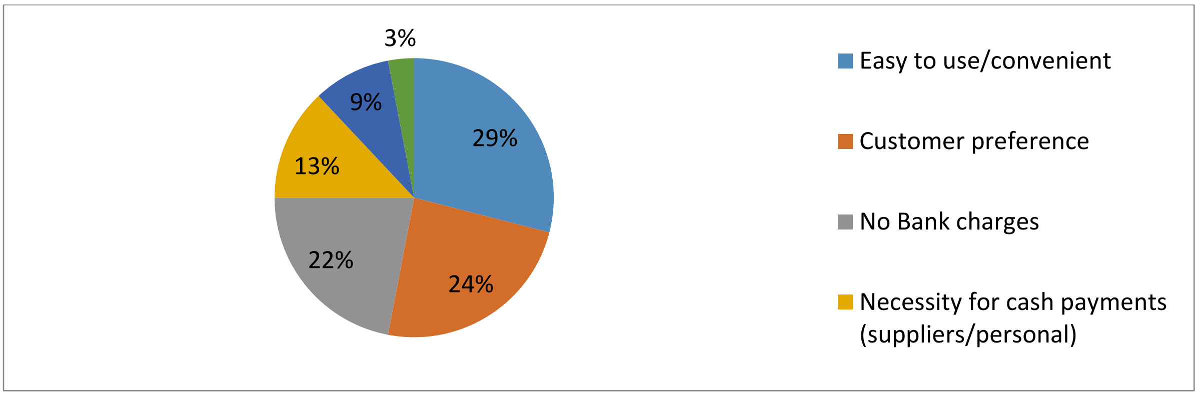
According to a report by Redcore, 80% of the merchants in non-metropolitan regions and 66% of the merchants in metropolitan regions prefer to receive payments in cash as they need to make payments to their vendors in cash. The percentages of payments in cash versus digital payments made in 2020 in metropolitan and non-metropolitan areas are set out in the graph below:



Source: Redcore Analysis, March 2021.

According to the Redcore report, the majority of merchants in India prefer cash as cash is convenient. The chart below sets out the perceived benefits of receiving payments in cash for merchants:

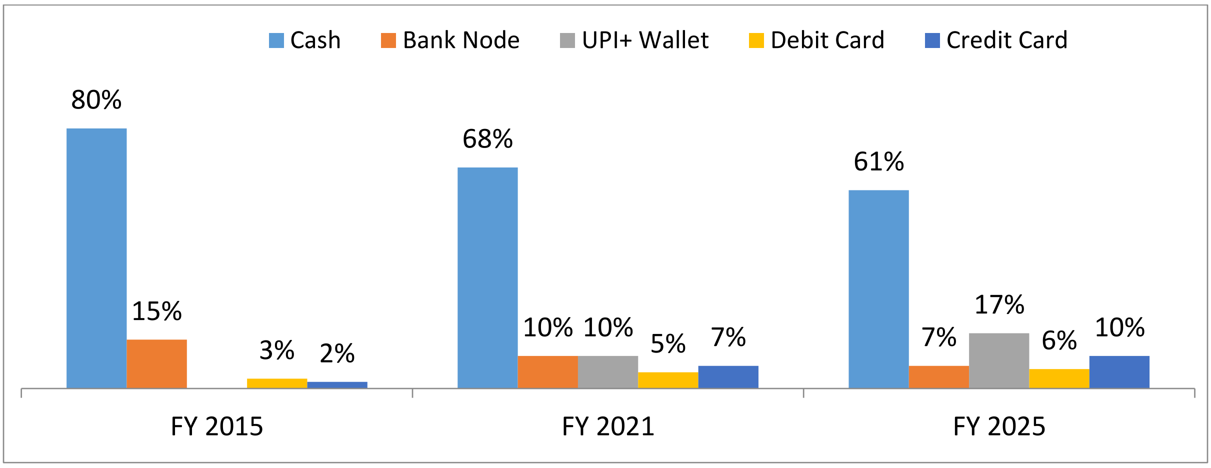
Perceived benefits of receiving payments in cash for merchants (in percentages), March 2021



Source: Redcore Analysis, *March 2021*.

Cash payments expected to dominate the economy

Despite the effects of demonetization and Covid-19, cash is still the most preferred method of payments as compared to other payment methods. While digitization initiatives have led to an increase in payments using cards or the unified payments interface ("**UPI**"), cash payments are expected to continue to dominate the economy until Fiscal Year 2025, where it is estimated that cash payments will account for 61% of all payments in the economy in Fiscal Year 2025. This is illustrated by the graph below:



Note: Data forecast and projections as of September 2021

Source: RBI, Frost & Sullivan; Secondary sources.

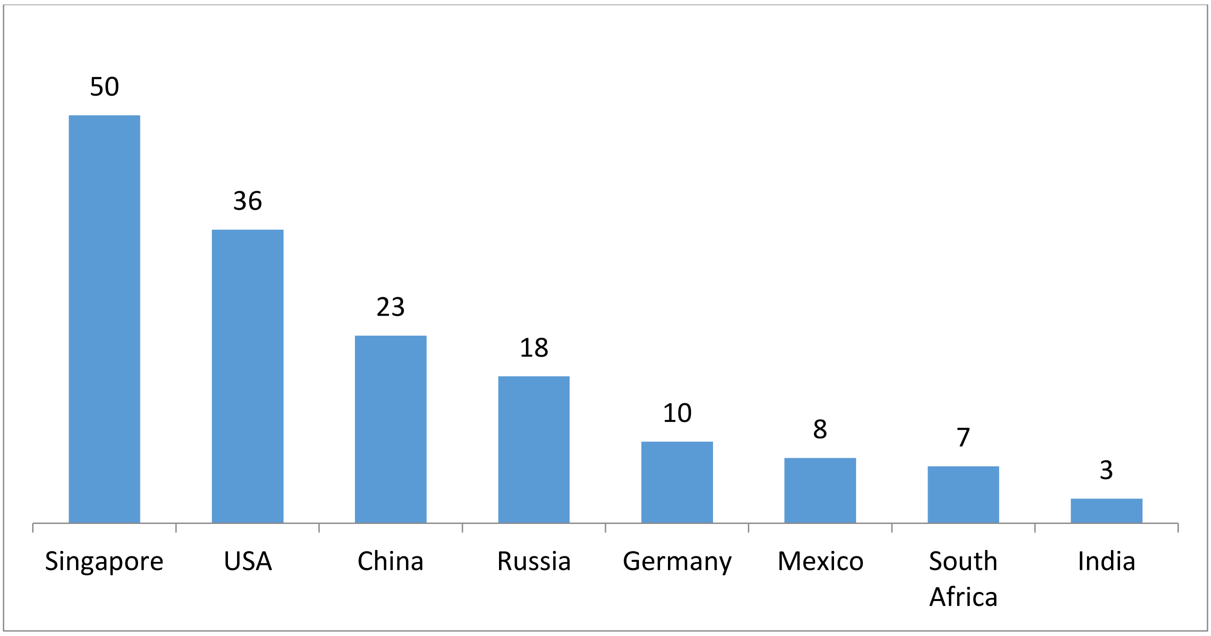
E-commerce and cash on delivery ("COD") in India

The Indian e-commerce market was valued at USD 22 billion in Fiscal Year 2018 and is expected to reach a value of USD 99 billion by Fiscal Year 2024. There was significant growth in the e-commerce market in India after 2015 in terms of dollar value owing to the prevalence of shopping at online giants such as Amazon, Flipkart and Reliance Jio.

COD is the most used payment method for e-commerce transactions in India. In Fiscal Year 2020, along with e-commerce retailers' expansion into tier 2 to tier 4 cities, COD constituted more than 65% of all e-commerce payments, indicating the significance of cash for e-commerce payments. COD payments become more prevalent as we move from metropolitan regions (approximately 50% of all transactions use COD) to lower tier regions such as tier 2 regions (approximately 70% of all transactions use COD) and tier 4 regions (approximately 90% of all transactions use COD). As the e-commerce penetration increases in these lower tiers regions, the market share for COD payments is also expected to increase correspondingly.

The use of debit cards in India does not replace cash

After cash, debit cards are the most used means of making payments in India. POS penetration in India is quite low. As of March 2021, India had 4.7 million POS terminals. In advanced economies such as Singapore and the United States, the number of POS terminals witnessed a decline between Fiscal Year 2020 and Fiscal Year 2021. For example, Singapore had 50 million POS terminals and the United States had 36 million POS terminals in Fiscal Year 2020. In Fiscal Year 2021, Singapore's POS terminal count decreased to 44 million and the USA's POS terminal count decreased to 31 million. In comparison, emerging economies such as India and Mexico have shown an increase in the number of POS terminals between Fiscal Year 2020 and Fiscal Year 2021. The use of debit cards for ATM withdrawals is 6.7 times that of its use at POS terminals as of August 2021. The graph below compares India's POS penetration with that of some countries in 2020:

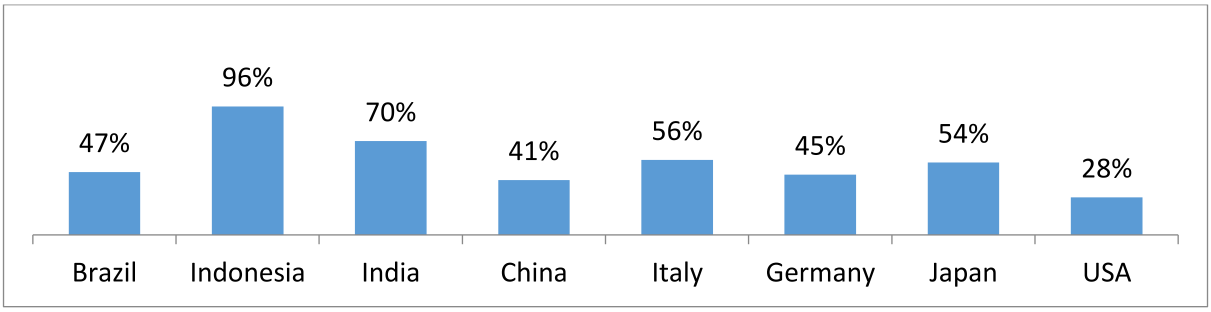


Source: Global Cash Report 2019.

As a result of the above, debit cards, used primarily to make withdrawals from ATMs, enable rather than replace cash.

Volume of transactions in cash in India and other countries

Due to the prevalence of cash payments in India, India has the highest cash transactions by value and volume amongst Brazil, Russia, India and China (the "**BRIC nations**"). While digitization has reduced the volume of transactions in cash, Indian consumers continue to prefer using cash to make payments for a variety of reasons, including convenience, ease of use and exactness associated with using cash for payments. The volume of transactions in cash (rendered as a percentage of all transactions) between 2019 and 2020 in various countries is illustrated in the graph below:



Source: Global Cash Report 2019.

ATM market

ATM market

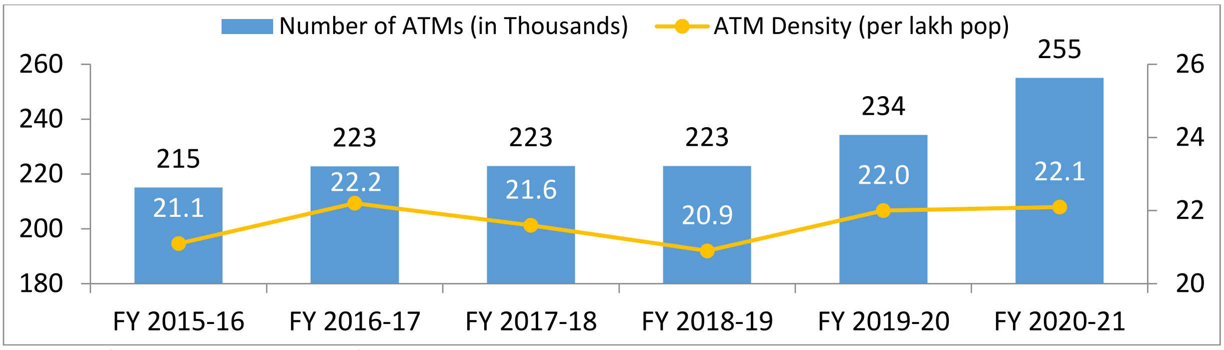
ATM market refers to the market where services associated with the deployment, management and replenishment of ATMs and offering software solutions are rendered to customers. Our Company has the widest service offering and we deliver integrated solutions across the value chain in the ATM market.

The value chain of the ATM market in India in Fiscal Year 2021 is illustrated in the table below:

	Cash management	ATM managed services	Automation solutions	Software and technology
Description	Involves all cash management services across segments: **ATM**: Cash replenishment for ATMs and first line maintenance services – Retail cash management ("**RCM**"): Cash pick-up and treasury solution for retailers **DCV**: Operating cash vans for banks for inter-branch cash movement	Involves all services related to end-to-end management of ATMs including product deployment, annual maintenance contracts ("**AMC**") and brown-label ATMs ("**BLAs**")	Involves sales and deployment of automation product (ATMs, kiosks, passbook printers etc.)	Involves development, customization and deployment of software Also includes endpoint security solutions and remote monitoring
Key Players	**ATM**: Our Company, WSG, SIS, Brinks, Securevalue and AGS **RCM**: Our Company, Radiant, Securevalue, WSG and Brinks **DCV**: Our Company, SIS and Checkmate	Our Company, Hitachi, FIS, NCR, FSS, Euronet and Diebold Nixdorf	Our Company, NCR, Hitachi, OKI	**Software**: Our Company, NCR and KAL **Remote monitoring**: Our Company, Securens and Ivis

Source: Frost & Sullivan

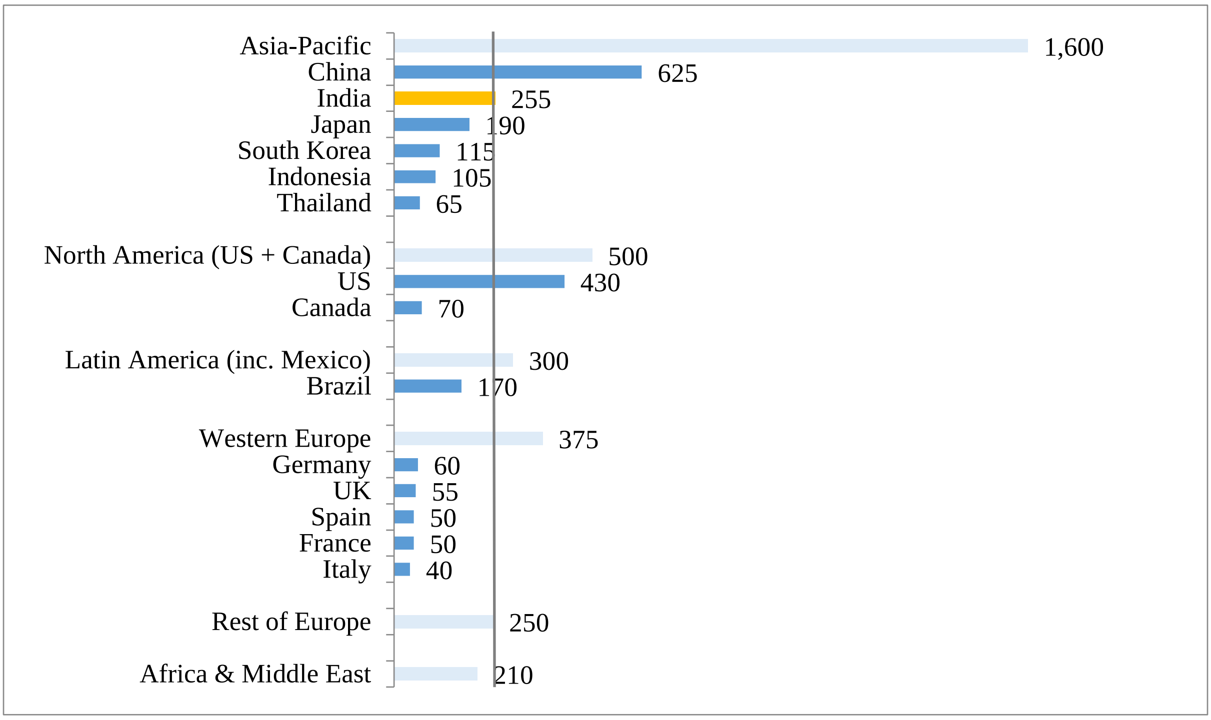
ATM deployments in India had witnessed a slowdown after the government announced its plan for demonetization in 2016–17. Banks were battling against the country's inadequate cash supply. Subsequent to this, several factors (including PSB's consolidation and RBI's mandate to improve PSB's balance sheets, which resulted in a reduction in expenditure, including ATM deployments) have contributed to a halt in ATM deployments in India. The demand for cash and cash-related services in India has increased; banks and other participants in India are deploying more ATMs, which is reflected in the increase in the number of ATMs in India from 223,000 in Fiscal Year 2019 to approximately 255,000 in Fiscal Year 2021, representing a CAGR of 6.93%. As of March 2021, India had 255,000 ATMs with a density of 21 ATMs per 100,000 adults in the country. The graph below illustrates the growth in the number and intensity of ATMs between Fiscal Year 2015 and Fiscal Year 2021:



Note: Data forecast and projections as of August 2021 *Source*: RBI; Secondary sources.

A comparison of ATMs deployed across regions on a global level

India has a higher number of ATMs deployed compared to some countries in the world. For instance, the number of ATMs in India (255,000) is approximately equal to the combined total number of all ATMs in Germany, UK, France, Spain and Italy. The number of ATMs deployed in India is also higher than such number in the Middle East and Africa (MEA) region. While India has a significantly higher number of ATMs due to a larger population base, the country is significantly underpenetrated on a per capita basis. The graph below shows the deployment of ATMs across regions and countries in 2020 (in '000):

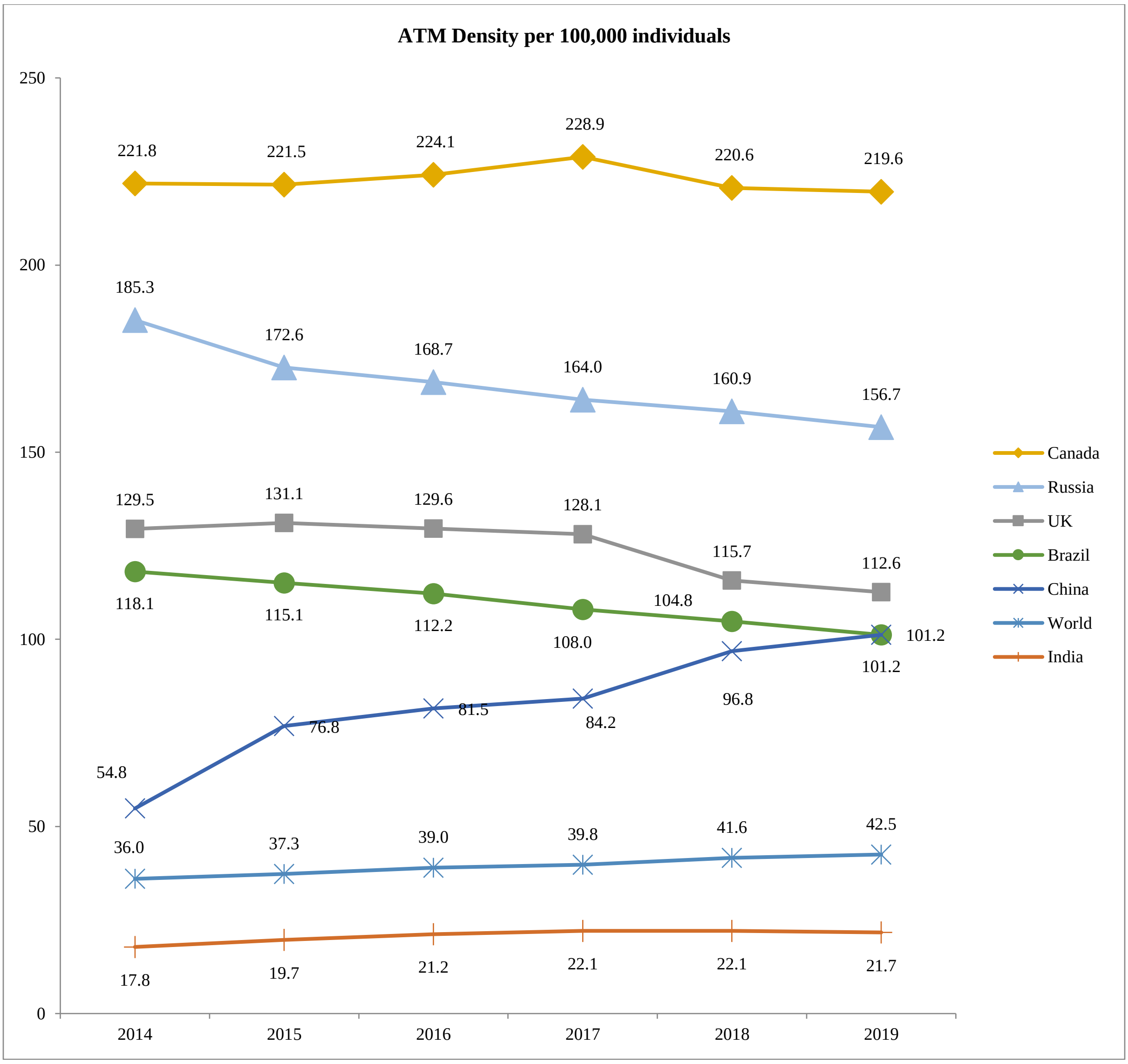


Source: Outlookworld and FIS Global.

A comparison of India's ATM penetration with other countries

India falls behind most markets (such as the US, UK and other BRIC countries) in terms of ATM penetration. India has one of the lowest ATM penetration rates in the world, with only 22 ATMs per 100,000 individuals, compared to a global average of 47 ATMs per 100,000 individuals. In 2021, India had 21 ATMs and Canada had 214 ATMs per 100,000 adults. Despite India having one of the lowest ATM penetration rates in the world, India is the third largest ATM market in the world based on the number of installed ATMs, after China and the US, and is expected to grow at a CAGR of 6.16% from 255,000 as of March 31, 2021 to 365,000 as of March 31, 2027.

The graph below illustrates ATM density per 100,000 individuals in the world and various countries between 2014 and 2019:

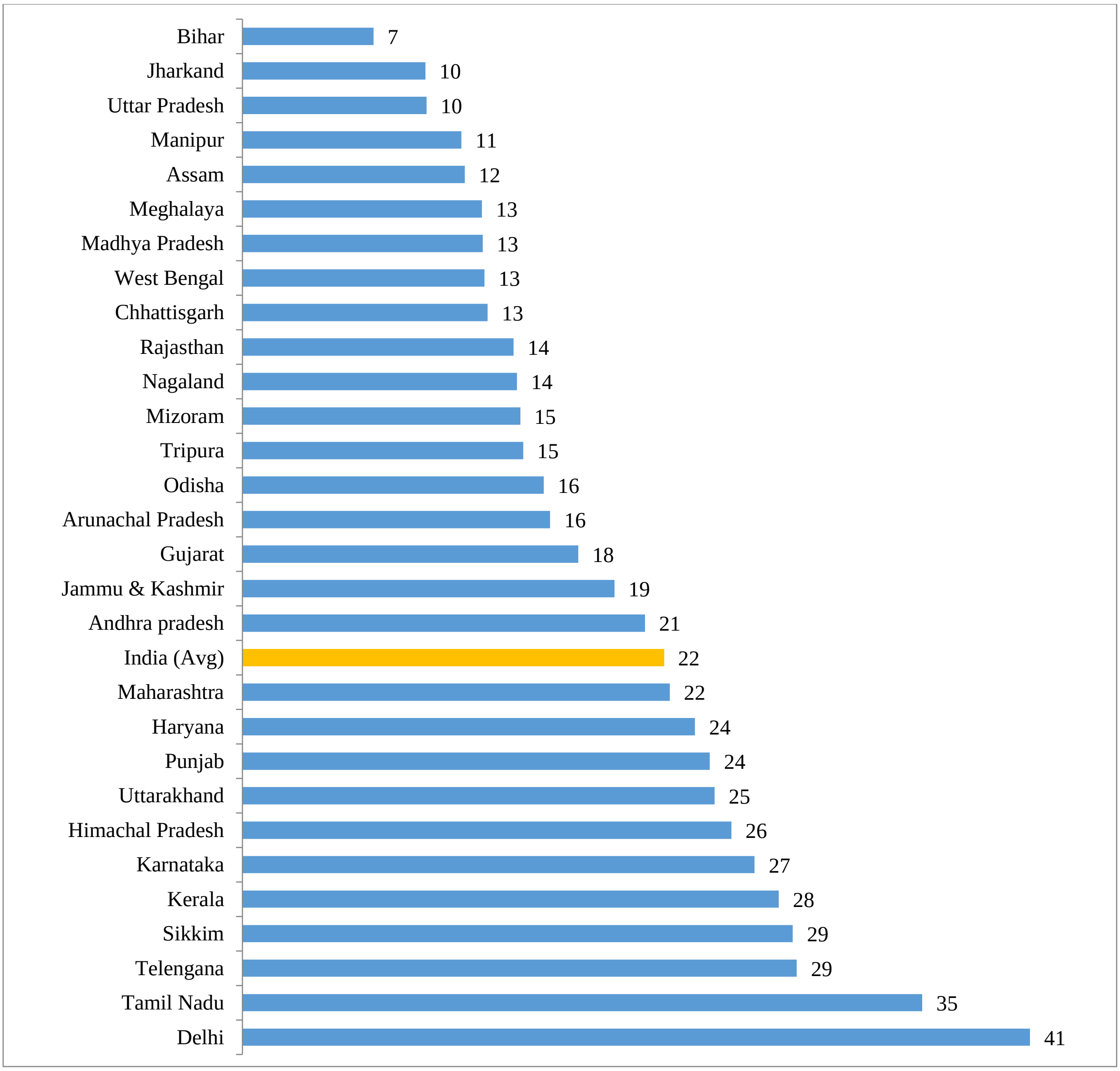


Source: RBI; Secondary sources.

ATM deployment across states and regions in India

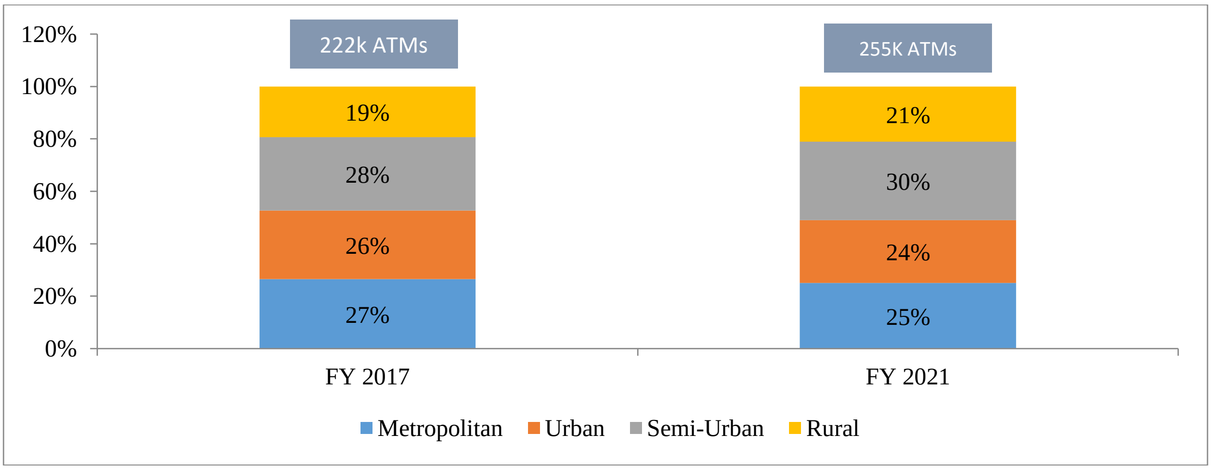
While ATM availability is limited throughout India, ATM penetration is disproportionately concentrated in urban regions compared to rural areas. For instance, 65% of India's population lives in rural areas, with just 51% of ATMs deployed in SURU areas and the rest in metropolitan areas. According to data from SDG Niti Aayog, Delhi had the most ATMs per 100,000 population (41), followed by Tamil Nadu (35) and Telengana (29). In 2020, Uttar Pradesh was the state with the third highest GDP, and is the most populous state in the country. Despite this, compared to a national average of 22 ATMs per 100,000 individuals, it has a low ATM penetration at 10 ATMs per 100,000 individuals. Similarly, states like Bihar and West Bengal have high populations and GDPs, but an ATM penetration that is lower than the national average, at 7 ATMs and 13 ATMs per 100,000 individuals respectively.

The current demand-supply mismatch in India creates a big opportunity for the banking industry in SURU areas. Millions of rural consumers now have a debit card and a bank account thanks to the rapid rise of Jan Dhan Yojana accounts and RuPay cards, but many lack basic infrastructure such as an ATM to utilize them effectively. Therefore, with a focus on rural areas, ATM penetration across Indian states is expected to increase in the upcoming years. The following graph illustrates ATM penetration in different states in India (ATMs per 100,000 individuals) in 2020:



Source: SDG Niti Aayog.

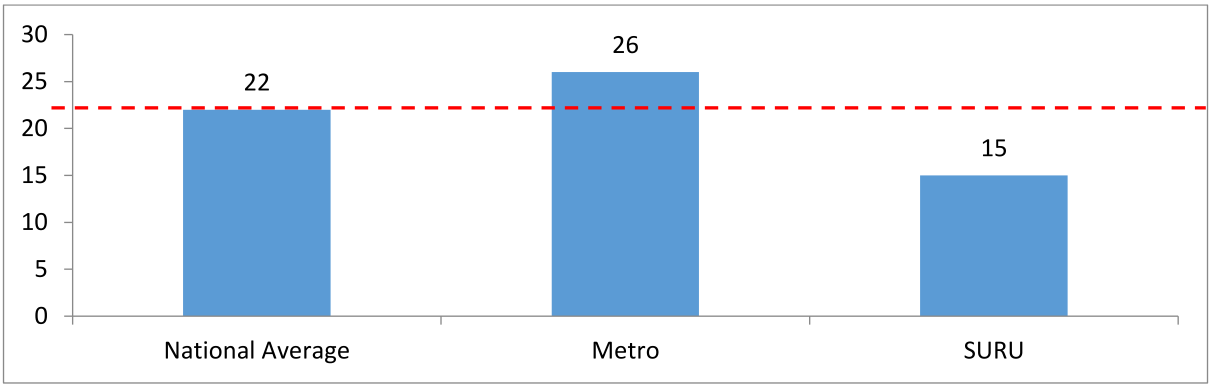
The following graph illustrates ATM penetration by geographical mix between 2017 and 2020:



Note: Data forecast and projections as of August 2021 *Source*: RBI; *Frost & Sullivan.*

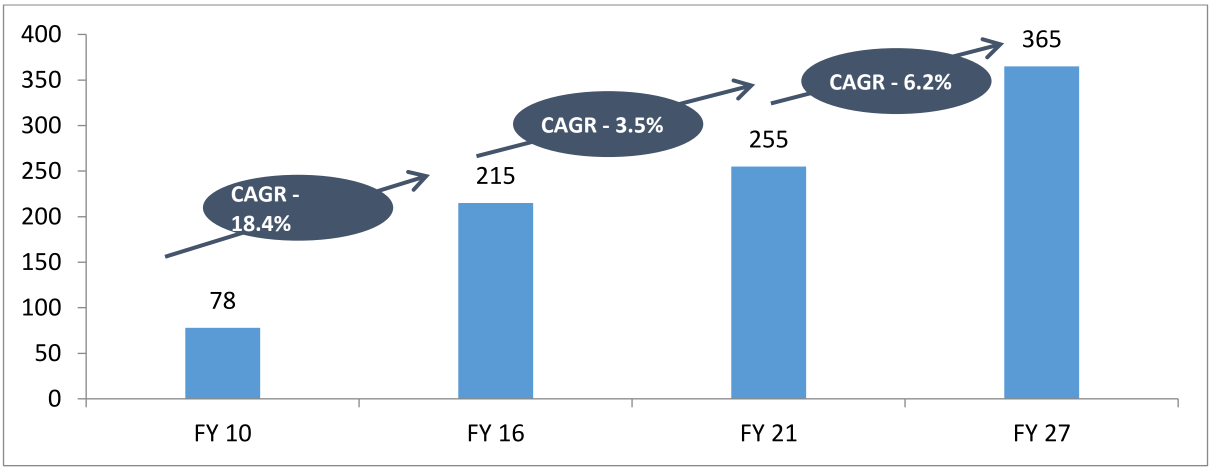
Outlook for the growth of ATM deployment growth in India

ATM penetration in India is uneven across tier 1 metropolitan cities / urban areas and the SURU regions. Compared to the national average of 22 ATMs per 100,000 individuals, metropolitan regions have a higher ATM penetration of 26 ATMs per 100,000 population. The SURU region is, on the other hand, significantly underpenetrated with a rate of 15 ATMs per 100,000 individuals. There are therefore opportunities to increase ATM deployments in the SURU regions. The graph below illustrates ATM penetration in India by geographical mix (number of ATMs per 100,000 individuals) in 2020:



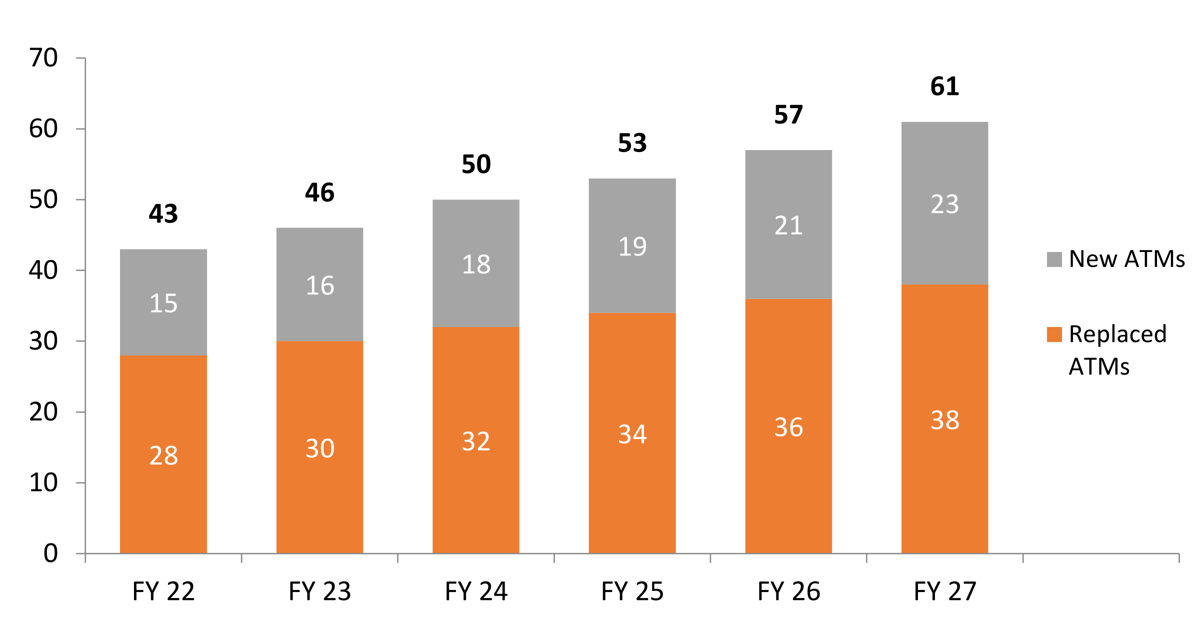
Source: RBI

The graph below illustrates the number of ATMs across India with the CAGR (in thousands) of the growth in the number of ATMs in India between Fiscal Year 2010 and Fiscal Year 2027:



Note: Data forecast and projections as of August 2021 *Source*: *RBI; Frost & Sullivan.*

In the next six years, approximately 110,000 new ATMs will be cumulatively added, with an additional 198,000 replacement demand; more than half of these will be deployed under the BLA model. 365,000 ATMs are likely to be installed, driven by pent-up demand and the need to address under-penetration in the SURU regions, as well as a shift from CAPEX to OPEX-based deals for banks (e.g. BLAs), and with additional upside expected given the increase in interchange fees. The total ATMs (incremental requirement) is expected to increase from 43,000 in Fiscal Year 2022 to 61,000 in Fiscal Year 2027, predominantly driven by the replacement of ATMs. In order to address this demand for new and replacement ATMs, banks are likely to prefer a BLA operational model – one that can reduce CAPEX costs as well as ensure that the demand for the market is met. This is one of the key drivers for the BLA market which is expected to grow from 86,000 ATMs in Fiscal Year 2021 to 180,000 ATMs by Fiscal Year 2027. The following graph illustrates the estimated numbers of new and replacement ATMs between Fiscal Year 2022 and Fiscal Year 2027 (in '000):



Note: 1. Assuming a replacement cycle of approximately 9 years (7-8 years for opex ATMs and 9-10 years for capex ATMs)
Note 2. Market size estimates are as of March 2021 *Source*: RBI, Frost & Sullivan; Secondary sources.

Market drivers for ATM deployments

The market drivers for ATM deployments are as follows:

- **Highly underpenetrated market**: In order to achieve an ATM penetration of 50 ATMs per 100,000 individuals, India needs to add 400,000 ATMs (2.5 times more ATMs than those currently deployed). The under-penetration of ATMs in India is more pronounced in the SURU areas where the ATM density is approximately 15 ATMs per 100,000 individuals. Based on the foregoing, there is a large headroom for growth with respect to ATM deployments in India.

- **Pent-up demand**: Since 2017, PSBs in India have issued over 500 million debit cards in the Jan Dhan scheme and processed ₹ 800,000 crore worth of deposits in SURU bank accounts. However, the number of available ATMs has not increased to match this growth in the number of debit cards issued. PSBs are resuming expansion of their ATM networks after a period of stagnation as evidenced by the recent increase in requests for proposals ("**RFPs**") for ATM implementation.

- **Proven success of BLA deployments**: Given the demonstrated success of BLA deployments, PSBs are eager to move away from CAPEX-based ATMs. SBI, Bank of Baroda and Bank of India have, in the last 18 months, issued BLA RFPs for over 20,000 ATMs and other banks are expected to follow suit.

- **Increase in Interchange**: Interchange fees for financial transactions through ATMs increased from ₹ 15 to ₹ 17 starting August 1, 2021. WLA operators with a 15% annual growth and net acquirer banks' business models will benefit the most owing to the increase in the interchange fee. Overdue replacement cycles will be expedited owing to the interchange increase as operators will look to capitalize on revenue generation through increased deployments.

Market restraints for ATM deployments

The factors restraining the growth of ATM deployments are as follows:

- Digital transformation (digital wallets and funds transfers): The increased penetration of mobile banking and other forms of digital payments are hampering the growth of ATM deployments. Banks are considering digital transformations to curtail the cost of cash operations and to connect with a larger base of customers and provide services at lower cost. This is restraining the expansion of ATM deployments in urban areas where the populations have access to digital platforms. ATM deployments in tier 2 and tier 3 cities will continue to be unaffected by such digital transformation.
- Branch rationalization by some PSBs is another factor restraining the growth of ATM deployments. In

the first half of Fiscal Year 2018, SBI acquired five banks and a local lender and 1,000 branches of these acquired entities were closed. This has reduced ATM deployments in the affected areas.

- The e-commerce sector in India has been expecting a healthy growth in the last few years. As digital transactions continue to increase within the e-commerce sector, the demand for cash payments will experience a slight decline with the growth of the sector. However, such an impact would take a long time to materialize owing to the mild increase in the growth of digital payments within the e-commerce sector.

Key regulatory changes affecting the ATM industry in India

Impact of cassette swap implementation

In 2018, RBI recommended the use of cash replenishment with a "cassette swap" model in order to mitigate the risks associated with open cash replenishment. This implementation was to be done in a phased manner with an initial deadline of March 31, 2021. Following difficulties in implementing the lockable cassette system by banks due to significant CAPEX requirements, RBI has extended the timeline for implementation of the "cassette swap" model in all ATMs to March 31, 2022. Presently, cassette swapping penetration is 35% and is expected to grow to 55% by Fiscal Year 2027 in line with the increase in new and replacement ATMs. The implementation of the "cassette swap" model is estimated to increase realization per ATM by ₹1,000 per month for ATM cash management companies.

An increase in the ATM interchange fee

The ATM interchange fee is paid by the bank that issued a card to the bank whose ATM is used by the card holder to withdraw cash from the card holder's account. RBI increased the ATM interchange fees for financial transactions from ₹15 to ₹ 17 in June 2021. The costs for non-financial transactions have been raised from ₹5 to ₹6 The increased costs will come into effect on August 1, 2021. According to RBI, the new fee structure was introduced due to the rising cost of ATM deployments and the rising expenses for ATM maintenance. The impact of this increase is as follows:

- This increase could accelerate ATM deployments by banks, particularly those that are net issuers in the current scenario, such as SBI and other PSBs.

- The BLA model could become a preferred model of deployment to address a potential increase in demand and owing to the reduction in the number of transactions required to break even.

- The increased interchange charge may encourage ATM operators to expand into semi-urban and rural areas in turn, helping the RBI and the government achieving their financial inclusion goals.

- Interchange fee increases will greatly benefit WLAs, with a possible revenue boost of 15-20% (recommended increase of ₹3 on a base of ₹15 for SURU where WLAs have 80% exposure). There are WLA licenses available on-tap, which could stimulate more participation from operators trying to enter the WLA space.

- As the interchange hike provides a momentum to the ATM deployment, it also creates a compelling case for adhering to compliance guidelines outlined by the RBI. As the penalty for non-compliance becomes severe, operators who want to capitalize on the interchange increase will have to ensure that the minimum compliance requirements are satisfied to sustain in the market

Minimum standards for cash management service providers introduced by RBI

In April 2018, RBI introduced certain minimum standards for service providers and sub-contractors engaged in cash management activities due to banks' increasing reliance on outsourcing these activities. These minimum standards include the following:

- Minimum net worth requirement of ₹ 1 billion should be maintained at all times by service providers

- A service provider must own or lease a minimum fleet size of 300 specifically fabricated cash vans.

- Each cash van should be a specially designed and fabricated light commercial vehicle (LCV) having separate passenger and cash compartments, with CCTVs in both compartments.
- Each cash van should be GPS enabled and monitored live with geo-fencing mapping indicating the nearest police station during emergencies.
- Each cash van should have tubeless tyres, wireless mobile communication and hooters.

Currently, compliance is at <10% nationally. With the prospects of being slapped with penalties for non-compliance, it is expected that by 2024, more than 95% of all service providers will be able to comply with these standards. The realization for compliant ATMs is expected to increase by ₹2,800 to ₹3,000 per ATM per month on the basis of an expected increase in the share of compliant vans (approximately 75% of all vans are expected to be compliant by Fiscal 2027).

Cash management market in India

Overview of cash management industry

Cash management companies provide three main services to their customers, namely: ATM cash management, RCM and DCV (i.e. vehicles used for cash transportation and cash replenishment activities). Cash management service providers also provide other services such as transportation of jewels, art works, valuables and bullion, cash processing and cash vault services.

The revenue of the Indian cash management market grew at a high CAGR of ~10% between Fiscal Year 2010 to Fiscal Year 2021 from approximately ₹ 10 billion to ₹ 27.7 billion due mainly to an increase in the services offered by cash management companies, including cash vault services, bullion management, cash processing and other services. For example, approximately 60% of the cash replenishment services provided to the 255,000 ATMs in India as of August, 2021 were outsourced to third-party cash management companies. The cash management market had observed a decline in growth rate between Fiscal Year 2016 to Fiscal Year 2017 due to the effect of the demonetization of the financial sector which negatively affected the profitability of cash management companies as the majority of India's ATMs remained out of cash during the period of demonetization. However, subsequent to the demonetization phase, cash management business has picked up momentum and continues to grow at a positive rate.

Similar to the demonetization period, the cash management market was affected by the impact of Covid-19, particularly the RCM and DCV businesses. The situation gradually reversed with recovery near pre-Covid-19 levels seen except for certain sectors such as travel, hotels, discretionary spends etc, which continued to impact the RCM business.

India is predominantly a cash-driven economy, one that is culturally comfortable with cash transactions, particularly in the SURU areas. Cash plays a critical role in enabling commerce and economic growth in India. Cash management has become a critical market owing to the large volumes of cash transactions (over 70%) and the rising cash intensity in the country.

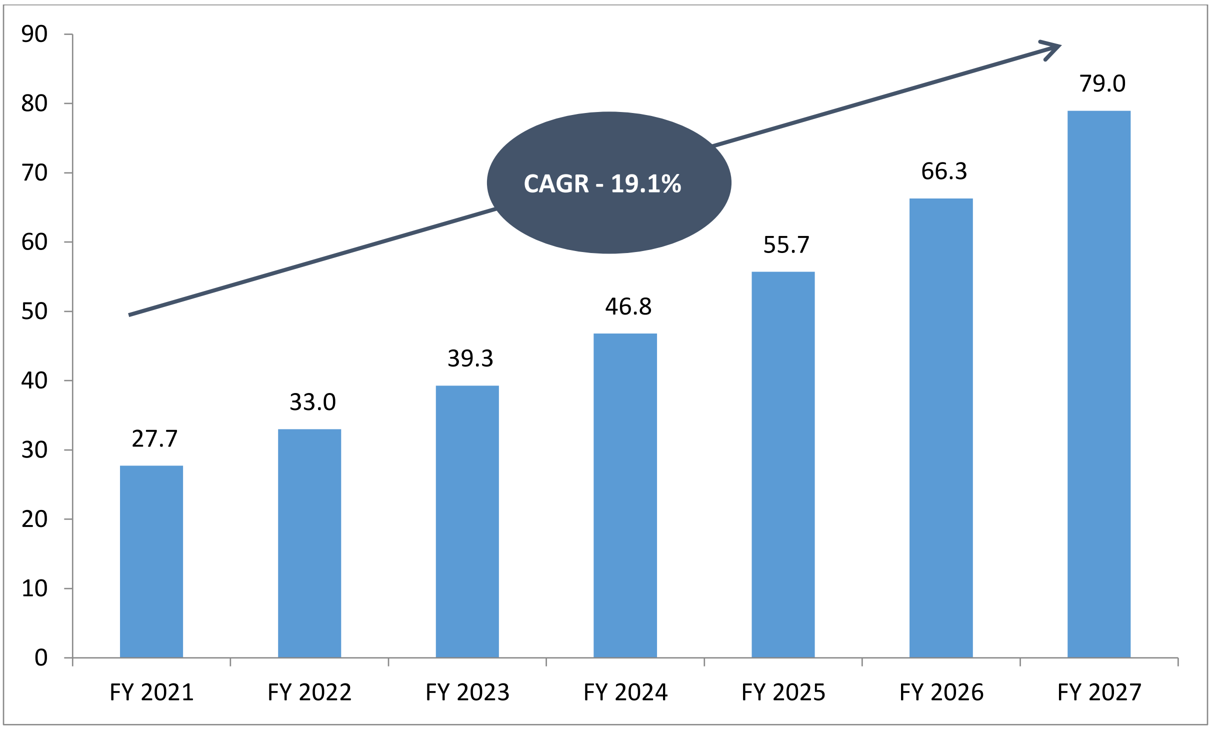
The ATM base in India is expected to increase from 255,000 in Fiscal Year 2021 to 365,000 by Fiscal Year 2027 and outsourcing of cash management services is expected to play a key role in this expansion. New and replacement ATM outsourcing is significantly higher (60% to 80%) for all banks except Co-op / RRBs. PSBs outsource two-thirds of their managed service ATMs, barring few on-site ATMs that can be replenished in-house efficiently. Private banks are increasingly finding value in outsourcing due to the synergies within the RCM business. The big three private banks (i.e. ICICI Bank, HDFC Bank and Axis Bank) have already achieved 90% outsourcing and the rest of the private banks are expected to follow suit. With respect to WLAs, outsourcing is currently at around 60% and is expected to increase owing to the fact that in-house management of growing ATM base is proving to be costly and inefficient.

The organized retail sector is growing at an annual rate of 20%. Increasing customer base in the form of e-commerce, organized retail chains, jewelers, gold loan companies and hospital chains are positively driving the cash management market, especially the RCM business in India. These sectors handle large volumes of cash and use the services of private cash management companies. India's organized retail market is increasing at a 20% to 25% annual rate and is expected to contribute to 30% of the market share by Fiscal Year 2025. With the increase in organized retail, the outsourcing arm of the cash management business is expected to increase.

The Indian cash management market is on a path towards consolidation, predominantly driven by players exiting the market space owing to strict compliance requirements and the increasing trust towards scale players. As evidenced in most global markets where cash management is a duopoly, the consolidation trend is projected to continue.

The TAM for Cash Management in India is expected to increase from ₹ 27.7 billion in Fiscal 2021 to ₹79.0 billion in Fiscal 2027, as shown in the chart below:

Cash Management Market, Market Revenue Growth Rate, INR Billions, Fiscal Year 2021-27



Note: Market size estimates are as of March 2021 *Source:* RBI; Frost & Sullivan; Secondary sources.

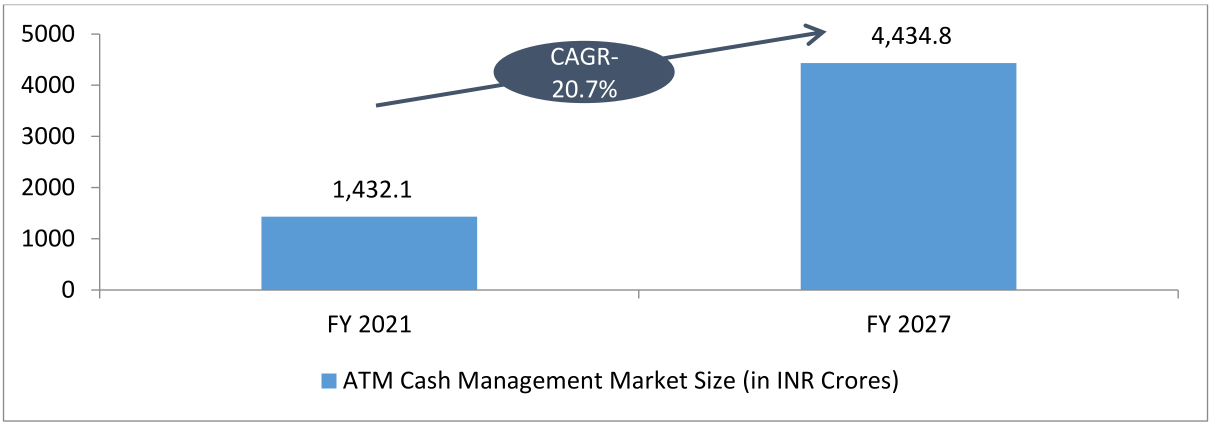
The vendor selection criteria adopted by banks for cash management

The following are the important parameters used by banks in selecting a vendor for managing their cash operations:

- Geographic reach of the service provider.
- Quality of service – The banks have a strong preference for service providers which constantly provide stability in services.
- Financial strength and business continuity of service providers.
- Proven track record and years of experience of service providers.
- Strong relationship with the banks.
- Project references with certificates from existing customers.

ATM cash management

ATM cash management services includes ATM cash replenishment and first line maintenance services. As shown in the graph below, the size of the ATM cash management market in India is estimated at a size of ₹1,432 crores in Fiscal Year 2021. This is expected to grow at a CAGR of 20.7% to reach a potential market size of ₹4,435 by Fiscal Year 2027:



Source: RBI; Frost & Sullivan; Secondary sources.

<u>ATM cash management drivers</u>

Low ATM penetration: The ATM penetration rate in India is significantly low, compared to countries like China, Mexico and Indonesia. With a focus on continued ATM deployment, particularly in the SURU regions, supported by the financial inclusion drive, the ATM penetration in India is expected to increase in the future.

Uptick in outsourcing by banks: Between Fiscal Year 2021 and Fiscal Year 2027, ATM cash management outsourcing is predicted to rise from 60% to 75%, owing to a higher share of BLAs (100% cash outsourcing) and 80% of ATMs added or replaced by private banks to be outsourced. With the exception of a few on-site ATMs that can be supplied efficiently in-house, PSBs are expected to outsource two-thirds of their managed service ATMs (as evidenced in recent RFPs).

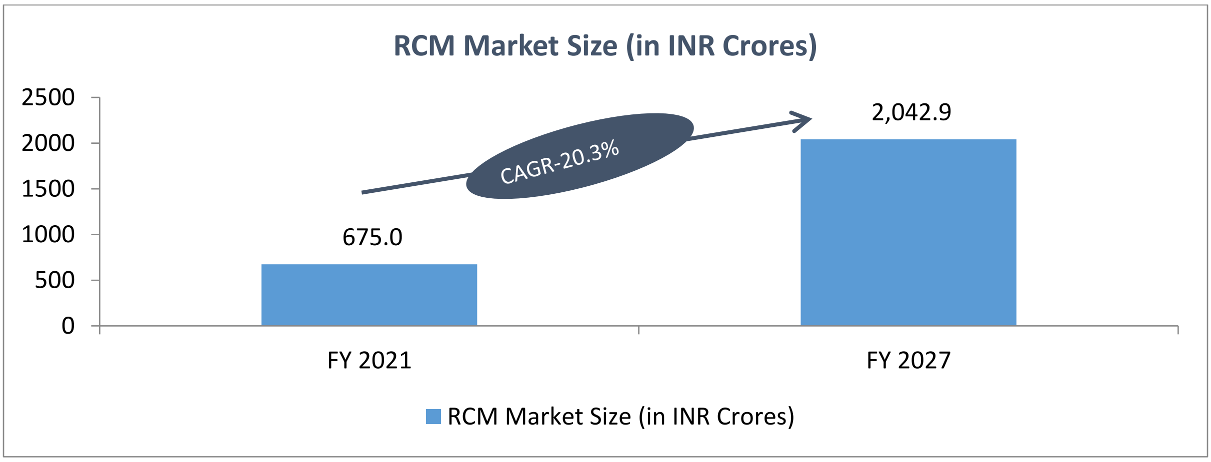
Favorable competitive dynamics: Sub-scale players are moving out of the business due to the implementation of operating standards and customers increasingly prefer scaled players owing to such players' stronger track record and stable operations.

Increase in interchange: The rise in interchange fee has increased the revenue potential of the entire cash management ecosystem, delivering increased visibility and attractiveness of ATM deployments.

RCM

Retail Cash Management (RCM) constitutes cash pick-up and delivery and treasury solutions for retailers.

The graph below sets out the RCM market size between Fiscal Year 2021 and Fiscal Year 2027:



Note: Market size estimates are as of March 2021 *Source*: Frost & Sullivan; Secondary sources.

The RCM market is estimated at INR675 crores in Fiscal Year 2021 and is projected to reach a market size of INR2,043 crores by Fiscal Year 2027. The growth in the organized retail sector as well as the corresponding outsourcing potential is expected to be prime factors for the development of the RCM market in India.

Market Drivers

Increasing number of retail points: The organized retail sector is rapidly growing as a result of the increasing and changing consumption patterns of Indian customers. While traditional or unorganized retailing arrangements continue to flood the retail market, organized retail is growing at a faster rate and engulfing traditional retailing. The organized retail sector is growing at an annual rate of 20%.

Increasing penetration in lower tier regions (i.e. tier 3 and tier 4 regions):
Given the importance of cash in India, e-commerce companies like Flipkart changed their business models to accept COD as a payment mechanism. The inclusion of COD as a part of India's e-commerce ecosystem unlike Western markets where COD is not commonly adopted, highlights the power of cash.

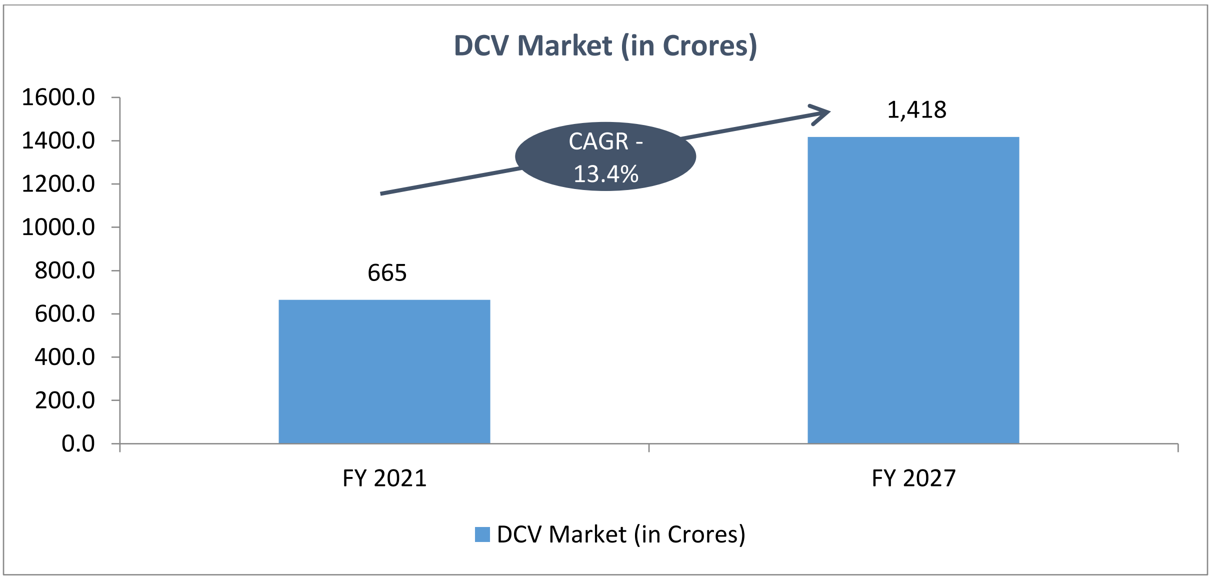
While larger cities such as Mumbai, Delhi, Bangalore, and others have seen a considerable increase in prepaid orders, the vast majority of buyers in tier 2 and tier 3 cities (90%) still prefer to pay in cash. Many states are also seeing increasing e-commerce adoption rates owing to the availability of COD. COD is seeing a significant increase in the Northeastern states and other SURU regions, making e-commerce last-mile penetration easier. As the penetration of organized retail increases in the lower tier regions, the potential for cash management services also increases correspondingly.

Focus on value-added services: There is a growing focus on solution-oriented and value-added services in order to increase realization rate from the solution delivery perspective. Vendors are increasingly looking towards smart safe solutions with dynamic and real-time reporting capabilities to improve efficiency.

RBI's operating standards: Compliance requirements drive consolidation and maturity of the cash management industry owing to multiple participants withdrawing due to cost concerns. There is also a potential to drive realization rates with respect to compliance towards RBI's operating standards.

DCV

Dedicated cash-in-transit vans (DCV) business involves the leasing out of cash vans for movement of cash and other valuables. As shown in the graph below, the DCV market in India is estimated at a value of ₹665 crores in Fiscal Year 2021 and is projected to reach a market size of ₹1,418 crores by Fiscal Year 2027:



Note: Market size estimates are as of March 2021 *Source*: RBI, Frost & Sullivan; Secondary sources.

The number of DCVs in India is also expected to increase from 6,720 in Fiscal Year 2021 to 7,500 by Fiscal Year 2027, growing at a CAGR of 13.4%. With respect to DCVs, compliant vans have a higher realization rate per van per month (at approximately 185,000) and with the potential increase in compliant vans, owing to regulatory push, the DCV market is expected to increase by 13% between Fiscal Year 2021 and Fiscal Year 2027.

Market Drivers

Increase in the number of bank branches: In Fiscal Year 2021, the number of bank branches in India stood at approximately 125,000. The number of bank branches as of August 2021 is approximately 164,000. By 2027, the number of bank branches is expected to rise up to 180,000. As per the latest RBI estimates, the number of bank branches for scheduled commercial banks was approximately 150,182 as of June 30, 2021. Due to the expansion of banking services in rural areas and the formulation of innovation models, the number of bank branches is expected to grow further accentuating the cash management services market.

Growth in CIC

CIC is predicted to grow at a robust more than 10% rate in the future, roughly in line with or slightly slower than India's long-term nominal GDP growth. By 2027, CIC is estimated to reach ₹ 50 billion. CIC has increased in developing and emerging nations in lockstep with GDP growth, regardless of whether or not digital payments have been adopted.

Increase in the outsourcing of DCVs: Owing to RBI mandates there is an expected increase in compliant vans for cash transfer. The cost overheads of meeting changing compliance requirements may lead to banks to writing off existing vans and outsource the DCV business to specialized players.

Shift from unorganized to organized service providers: As the requirements for compliant vans increase, banks will increasingly outsource their DCV operations to compliant players as opposed to unorganized players, thereby increasing the proportion of outsourcing.

Competitive landscape of the cash management industry in India

The table below sets out the competitive landscape of the cash management industry in India as of July 31, 2021:

Service provider	Number of employees	ATM cash management	Retail touch points	RCV (number of vaults)	DCV (number of vans)
Our Company	20,000	63,000	40,000	400	900
Securevalue	8,716	47,569	Data not available	45 locations	Data not available
WSG	8,000+	18,000	12,000	60+	Not Applicable
SIS	Data not available	14,000	5,000	59	1,000
Brinks	7,000	<5,000	Data not available	Data not available	Not Applicable
Radiant	9,300+	Not Applicable	42,420	Data not available	Data not available

Source: Frost & Sullivan, websites of the relevant companies and industry and secondary sources.

In India, the cash management business is becoming increasingly consolidated, with two distinct market leaders dominating each of the three sectors. As of March 31, 2021, our Company was India's largest cash management company based on the number of ATM points and we had a market share of 24.7%, based on the total number of ATMs in India, as well as a market share of 41.1%, based on the total number of outsourced ATMs in India. As proven in most worldwide markets where cash management is a duopoly and scale promotes profitability, such consolidation trends are projected to continue (through route optimization and productivity).

Key trends of the cash management industry in India

- **Integrated offerings**: Only large companies like our Company have been able to provide integrated solutions across segments.

- **Focus on specific segments**: A lot of smaller businesses are focusing on specific segments. Radiant, for example, has decided to focus only on the RCM industry after selling its loss making ATM operation. Brinks, another key player, reduced its ATM cash management business by withdrawing from numerous locations (with a market share's decline from 10% in Fiscal Year 2018 to 2% in Fiscal Year 2021) in favor of a greater concentration on RCM (with its market share growing from 7% in Fiscal Year 2018 to

11% in Fiscal Year 2021) and other services such as bullion.

- **Increasing market consolidation***:* In recent years, the market has undergone significant consolidation, particularly as a result of RBI's stricter compliance standards, which have resulted in higher compliance costs. Examples from the past include Logicash selling its ATM cash management business to our Company, while Checkmate abandoned its loss making RCM business. Consolidation of MSP customers is also taking place as a result of players either exiting the cash management space or selling parts of their business due to the challenges they face in operations and maintaining profitability

The global cash management competitive landscape

Due to the high entry barriers, regulatory oversight and technological improvements, the industry landscape is highly concentrated globally. In developed economies, such as the UK, banks have raised the barriers to entry through strict regulations (e.g. by only allowing registered commercial entities to manage wholesale distribution) for its Note Circulation Scheme (NCS), making it difficult for new service providers to enter the market while also forcing existing service providers to rethink their strategy and service differentiation.

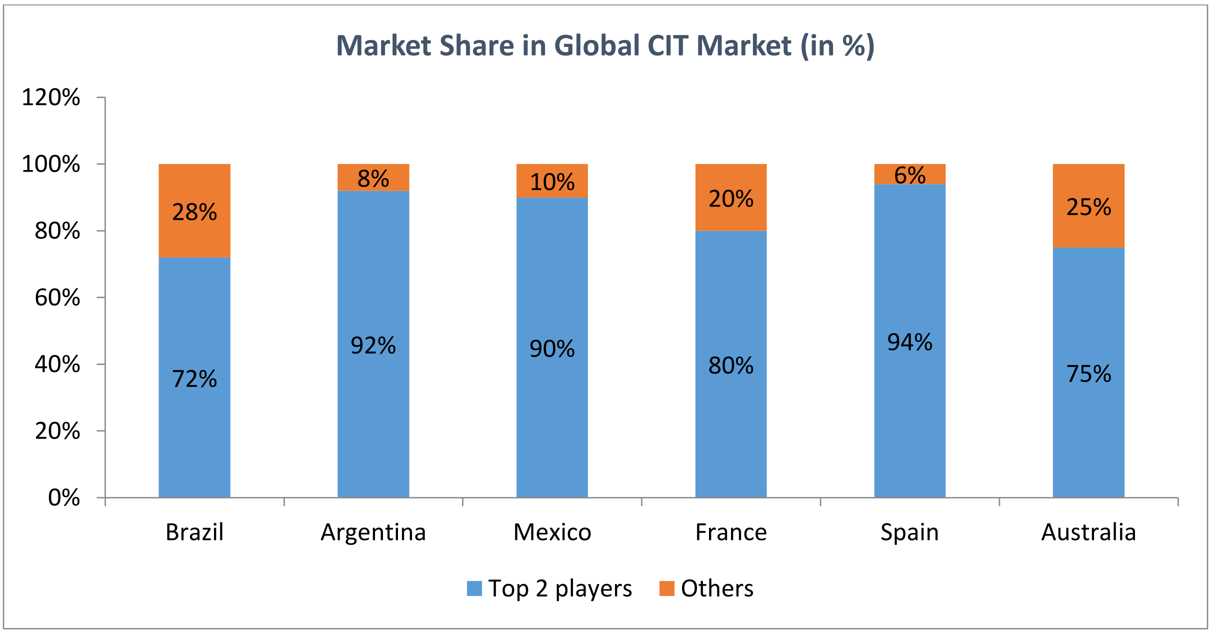
MNCs such as Brinks (US), Loomis (Sweden), Prosegur (Spain), G4S (UK), GardaWorld (Canada) and Alsok (Japan) dominate the cash management global market. These MNCs have made increasing profitability and growth through better value-added offerings a top goal. The table below illustrates the global cash management competitive landscape in Fiscal Year 2021:

Company Name	ATMs served	Cash vans	Gross revenue	Employees
Loomis	80,000		SEK18,813 million / USD2,188 million	23,000
Prosegur Cash	100,000	10,000	Euro1,508 million / USD1,795 million	45,000
Brinks	130,000	16,300	USD3,691	76,500
Garda		3,100	Canadian dollars 990 million / USD795 million	122,000
Alsok	73,000		460.1 billion yen / USD 4.2 billion	
G4S Plc			GBP 696 million / USD 960.5 million	533,000
Our Company	63,000	4,000	~₹ 14,000 million / USD 190 million	Over 20,000

Note: 1) The following exchange rates were used to convert currencies to USD
1 SEK = 0.116 USD, 1 EUR = 1.19 USD, 1 YEN = 0.009 USD, 1 GBP = 1.38 USD, 1 INR = 0.0135 USD
2) All financial values are indicative of the respective company's overall financial performance and includes all business /segmental units.

Source: Annual reports of the respective companies

The graph below sets out the market shares in the global CIT market in Fiscal Year 2021:



Source: Industry reports, Frost & Sullivan and secondary sources

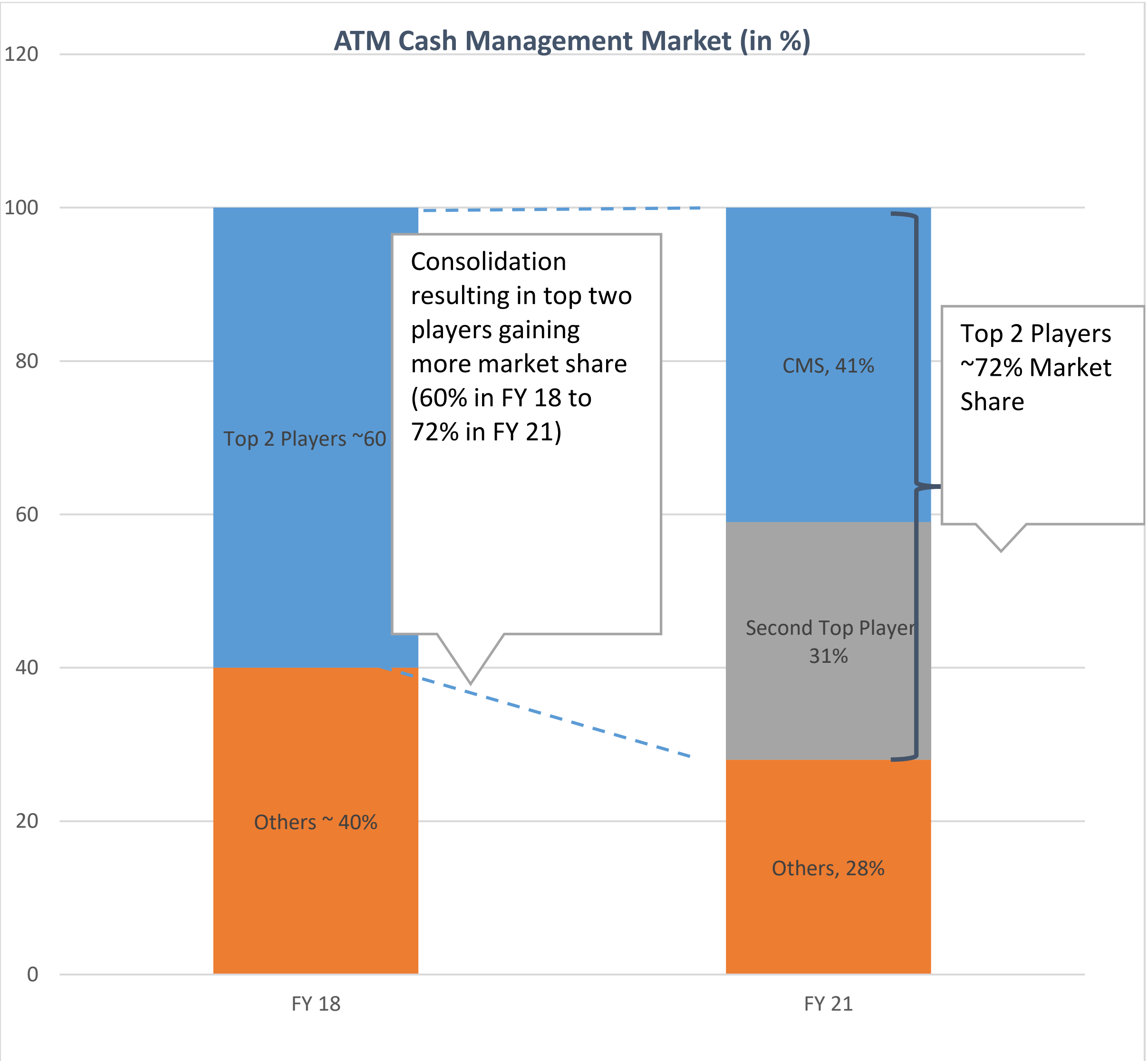
Most of the cash management companies in the global market have become duopolies owing to consolidation. In countries such as Spain, Mexico and Argentina, the top two players in the global DCV space occupy more than 90% of the overall market share in their respective countries. Consolidation helps achieve business propulsion through multiple factors, such as the following:

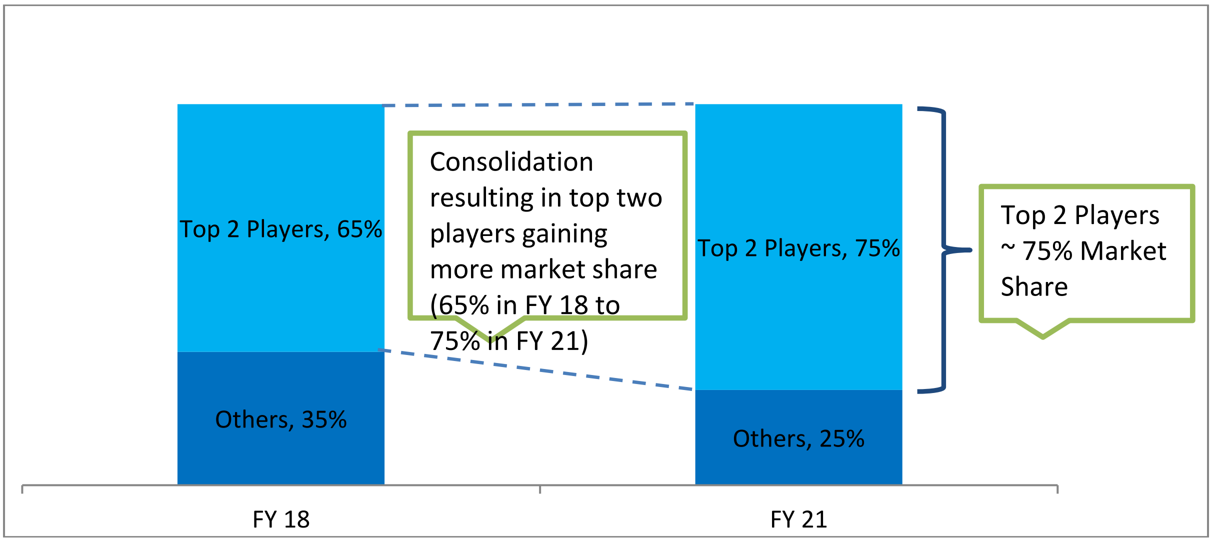
- Geographic expansion by increasing presence both across countries and within a particular country in underserved communities (rural or tier 2 cities).
- Improved financials through scale where small sized companies are acquired by bigger players without adding much cost base to the big players, which ensures that the revenue of the big players will fall mostly to profit before tax
- Increase in efficiency of operations and business agility via scale.

Consolidation opportunity of the cash management industry in India

The cash management market in India has experienced significant consolidation over the recent years predominantly owing to strict MHA guidelines and smaller players exiting the market owing to challenges in maintaining profitability.

As evidenced in most global markets where cash management is a duopoly, the consolidation trend is projected to continue in India as well, with the top two players continuing to gain market shares. The graphs below show the consolidation opportunities for ATM cash management and RCM (in percentages) between Fiscal Year 2018 and Fiscal Year 2021:





Source: Company Reports; Frost & Sullivan; Secondary sources.

Note: 1. ATM Cash Management market share is based on the number of outsourced ATMs in India.
2. RCM Market share is based on the total number of retail touch points served in India.

India, like other global markets, is set to become a duopoly in the next five years, with the top two players expected to have a combined market share of 90% by Fiscal Year 2027

Managed services market

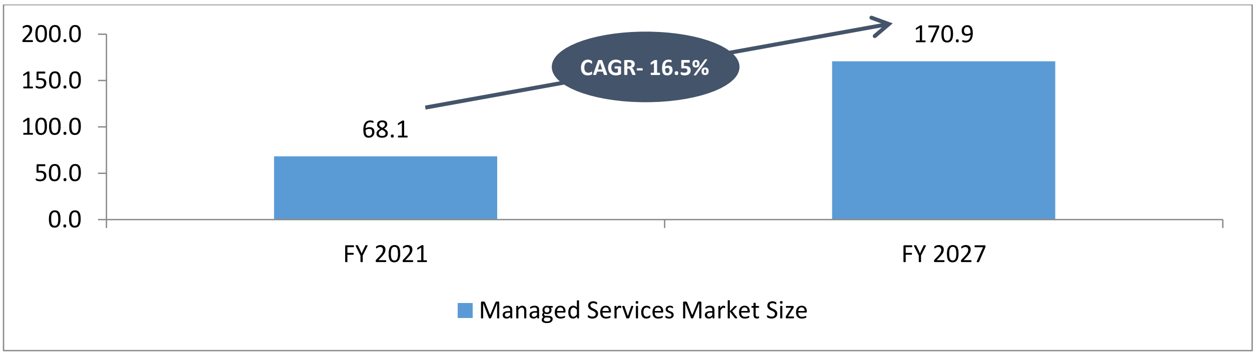
ATM managed services allow financial institutions to take advantage of dedicated managed service providers' infrastructure, experience, scale and product portfolio to increase the effectiveness and efficiency of these financial institutions' networks of ATMs. ATM managed services cover a wide range of services, from specific operational components to end-to-end ATM program management.

As the ATM market continues to shift from bank-managed ATMs to end-to-end deployments of ATMs by service providers, the business of outsourcing ATM management will continue to grow fast in India.

ATM Managed services include products sale and maintenance (ATMs, cash recyclers, automation products), ATM software solutions (multi-vendor software, endpoint security, reconciliation software), Brown-label ATMs service, Pure Managed Services and ATM remote monitoring

The managed services market stands at INR 68.1 billion in Fiscal Year 2021 and is expected to reach a market size of INR 170.9 billion by Fiscal Year 2027, growing at a CAGR of 16.5%.

Managed Services Market Size, INR Billions, Fiscal Year 2021-27



Note: Market size estimates are as of March 2021 *Source:* Frost & Sullivan; Secondary sources.

Market drivers for ATM managed services

- **Financial inclusion:** India's Ministry of Finance has been granting special directives to PSBs to install

ATMs in SURU areas, such as rural MP, the North East and the hinterland of Uttar Pradesh. With a density of roughly 15 ATMs per 100,000 individuals as of December 31, 2020, these locations have fewer ATMs. The SURU region is expected to have a fast growth rate in the number of ATMs compared to other regions in India, which represents an opportunity for ATM managed service providers.

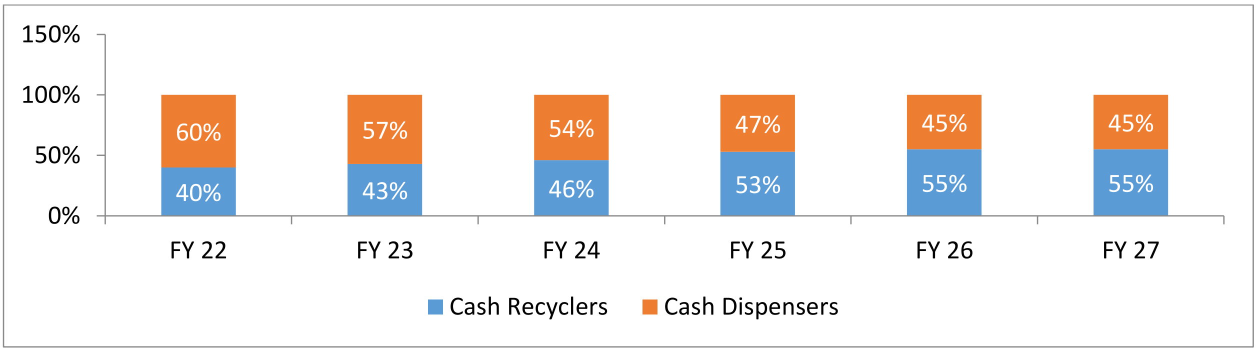
- **Overdue replacement cycles**: There has been a delay in the replacement of legacy ATMs due to issues in the banking sector impacting CAPEX spends. As the number of outdated ATMs increases, the demand for replacement ATMs will increase and this can provide significant opportunities for service providers.
- **Increase in outsourcing**: New and replacement ATM outsourcing is considerably high (at 60% to 80%) for all categories of banks except cooperative banks and regional rural banks. With the exception of a few on-site ATMs that can be replenished efficiently in-house, PSBs outsource two-thirds of their managed service ATMs. Due to the synergies within the RCM business, private banks are increasingly seeing the potential in outsourcing services. ICICI Bank, HDFC Bank and Axis Bank, the big three private banks, have already achieved 90% outsourcing and the rest of the private banks are anticipated to follow suit. Outsourcing within the WLA space is currently around 60% and is expected to rise as in-house management of a rising ATM base proves to be costly and inefficient.
- **Shift from a CAPEX to an OPEX-based model:** In line with private sector banks, PSBs are also expected to increasingly deploy ATMs through the BLA model given the lesser CAPEX intensity and faster deployments which should increase the total addressable market for the industry.
- **Increase in interchange:** An increase in interchange is expected to drive accelerated deployment of ATMs due to higher realizations and better unit economics.
- **Strict ATM security requirements:** Following demonetization, the government has become more cautious about maintaining ATMs and replacing those that are no longer functional. RBI has previously issued a directive to speed up compliance for ATMs in terms of operating systems, port deactivations, auto-runs, terminal security and so on.

ATM Product sales

In relation to banks (other than cooperative and regional rural banks), while cash dispenses are expected to form 60% of their incremental growth in Fiscal Year 2022, cash recyclers are expected to contribute more than 55% of their incremental growth in Fiscal Year 2027. Cash recyclers bring significant revenue potential for banks acquiring deposit transactions and save banks servicing costs for in-branch cash deposits (three times of that on ATMs).

Banks are increasingly preferring cash recyclers over cash dispensers due to both cost and revenue considerations. Major banks such as Axis Bank, ICICI Bank and HDFC Bank are all systemically moving towards deploying cash recyclers in urban areas. Axis Bank has also enforced a recent policy that mandates 100% of new/replacement ATMs to be cash recyclers.

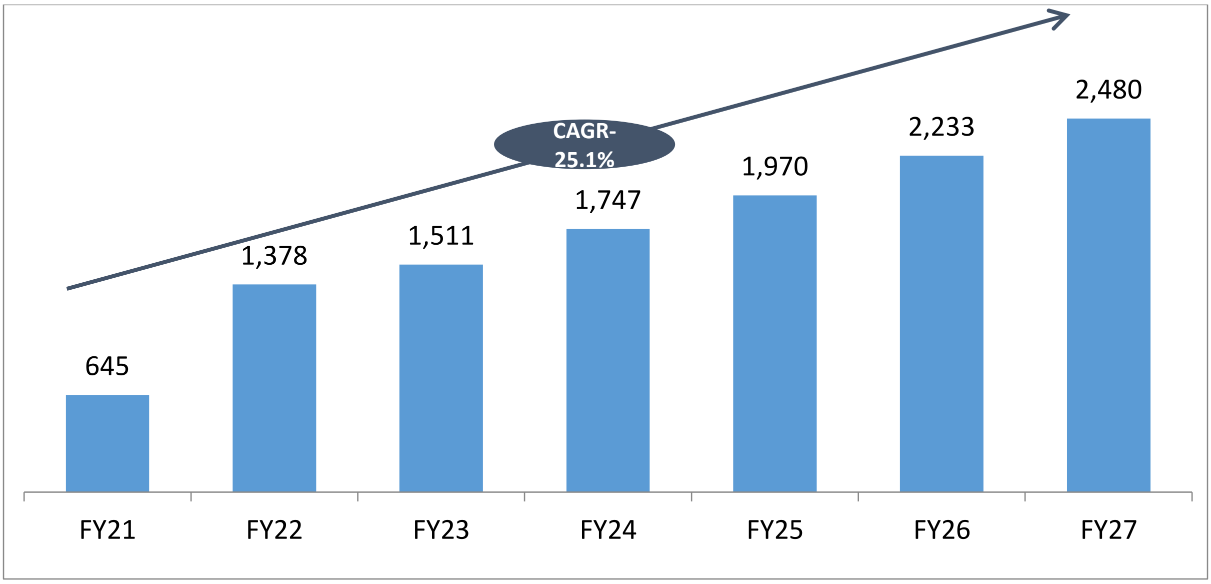
WLAs also serve to gain from the potential of cash recyclers as they can offer a mini-branch experience through collaboration and increase their cobranding/advertising revenues by 15% to 20%. Hitachi, with over 4,500 WLAs in India, is focusing on maintaining a 40% ratio of cash recyclers and other major WLA players are expected to follow suit to take advantage of the high revenue generating capabilities of cash recyclers. The graph below shows the incremental growth of cash recyclers and cash dispensers between Fiscal Year 2022 to Fiscal Year 2027:



Note: Market size estimates are as of March 2021 *Source*: RBI; Frost & Sullivan; Secondary sources.

The ATM product market size is estimated at ₹645 crores in Fiscal Year 2021 and is expected to reach a value of

₹2480 crores by Fiscal Year 2027 (representing a CAGR of approximately 25%). This high growth is primarily driven by the number of addressable new and replacement machines growing at approximately 17% annually and an expected increase of 5% to 6% in realization owing to higher share of cash recyclers as a proportion of total ATMs over the forecast period. The ATM product market size (in ₹ crores) between Fiscal Year 2021 and Fiscal Year 2027 is shown in the graph below:

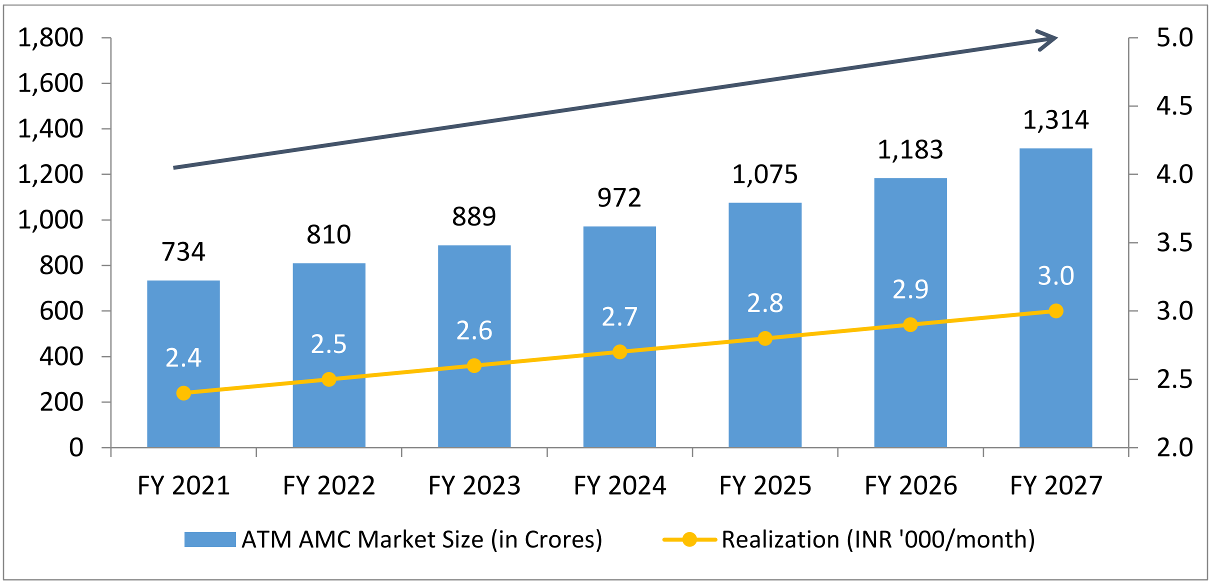


Note: Market size estimates are as of March 2021 *Source*: RBI; Frost & Sullivan; Secondary sources.

AMC

Service providers (usually OEMs) supply and install ATMs for customers, which then engage with such suppliers to provide maintenance on ATMs during the contract period. Under such AMCs, with these customers, service providers usually deliver second line maintenance for their ATMs, including the provision of remedial hardware maintenance, replacement parts and preventative maintenance. The duration of each AMCs ranges between 8 to 10 years, renewable at the option of the parties and the service provided is paid a fixed AMC fee, in annual, semi-annual or quarterly installments.

AMCs are applicable to all ATMs across the total installed base in India. The AMC market, therefore, has a direct correlation with the growth of the ATM market in India. As shown in the graph below, the AMC market is expected to grow from ₹734 crores in Fiscal Year 2021 to ₹1,314 crores in Fiscal Year 2027 with a CAGR of 10%, primarily driven by an increase in the ATM stock and increase in realizations:



Note: Market size estimates are as of March 2021 *Source*: RBI; Frost & Sullivan; Secondary sources.

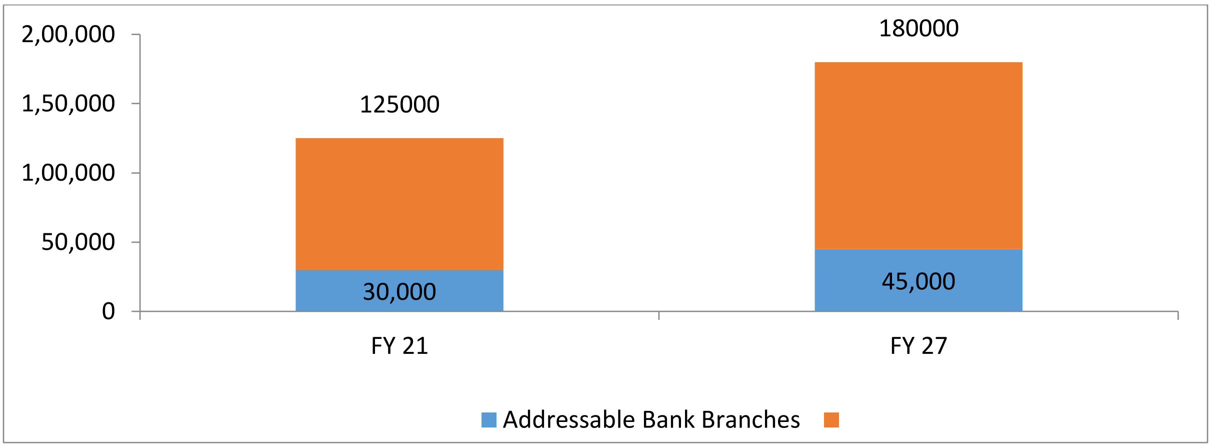
The average realization rate for such AMCs are also expected to grow at 4% CAGR from ₹2,400 in Fiscal Year 2021 to ₹3,000 by 2027, propelled by factors such as market competition, inflation, and shift towards cash recyclers.

Banking automation

Automation products for the banking sector include multiple items such as the following:

- **Passbook kiosks**: These are self-service kiosks that provide automated data retrieval and updates for passbooks using barcodes.
- **Cash deposit machines and retail cash vaults**: These are devices that allow for the direct deposit of cash into the customer's account via cards or cash vaults.
- **Queue management kiosks**: These are products that facilitate customer walk-ins and non-financial transactions.
- **Cheque deposit kiosks**: These products facilitate the direct deposits of cheques.
- **Multi-functional kiosks**: These are touch screen machines that allow account opening, debit card generation and there are multiple modules available for customization.
- **TCRs**: These products serve as mini ATMs to improve teller efficiency.

The graph below shows the total number of bank branches in India and the proportion of addressable ones for automation products in Fiscal Year 2021, and projected for Fiscal Year 2027:



Note: Market size estimates are as of March 2021 *Source*: RBI; Frost & Sullivan; Secondary sources.

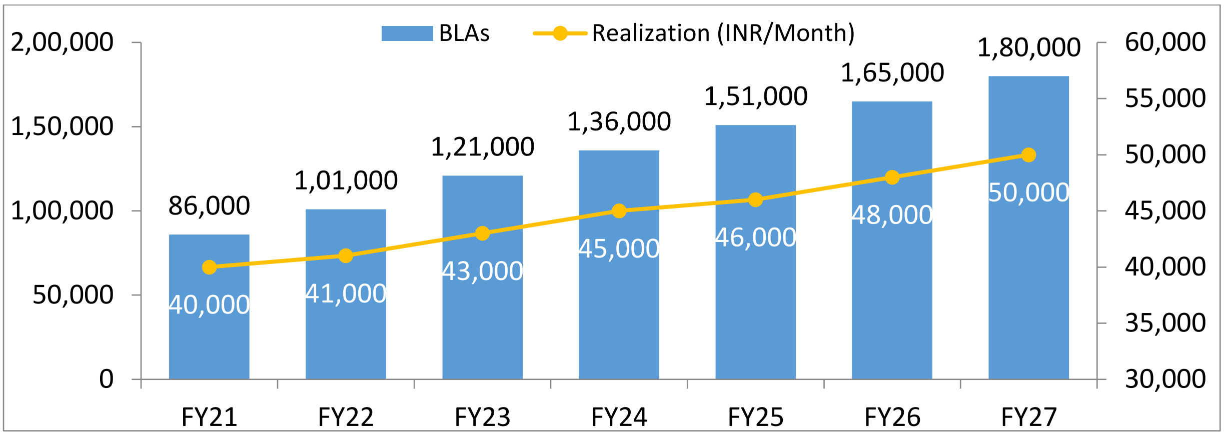
The total number of bank branches is expected to grow at approximately 5% to 6% from Fiscal Year 2021 to Fiscal Year 2027 as a means of increasing coverage in the SURU areas. Subsequent to the demonetization phase, there was a decline in the growth of bank branches due to the consolidation of PSBs, headwinds due to demonetization and Covid-19. The large bank branches (approximately 25% of all branches in India) are addressable for most automation products.

BLAs

In the case of BLAs, the hardware of each ATM machine is owned by the service provider. The service provider is responsible for selecting ATM locations, negotiating a lease arrangement with the landlord and providing power to the ATM kiosk. As a result, the service provider is responsible for deployment and end-to-end ATM management, while the sponsor bank is responsible for providing cash and access to the banking network. Banks, either through a fixed monthly fee model or a pay per transaction model, pay for the service included within the agreement with the service provider.

It is estimated that the number of BLAs in Fiscal Year 2021 is 86,000 and this number is expected to rise to

180,000 by Fiscal Year 2027. Since private banks were the early adopters of BLAs, mostly for offsite ATMs, they have the largest share of 57% of the total BLAs in the country. By Fiscal Year 2027, the total number of BLAs is expected to be 50% of the total number of ATMs in India. The graph below shows the number of BLAs in India and their realization per month between Fiscal Year 2021 and Fiscal Year 2027:

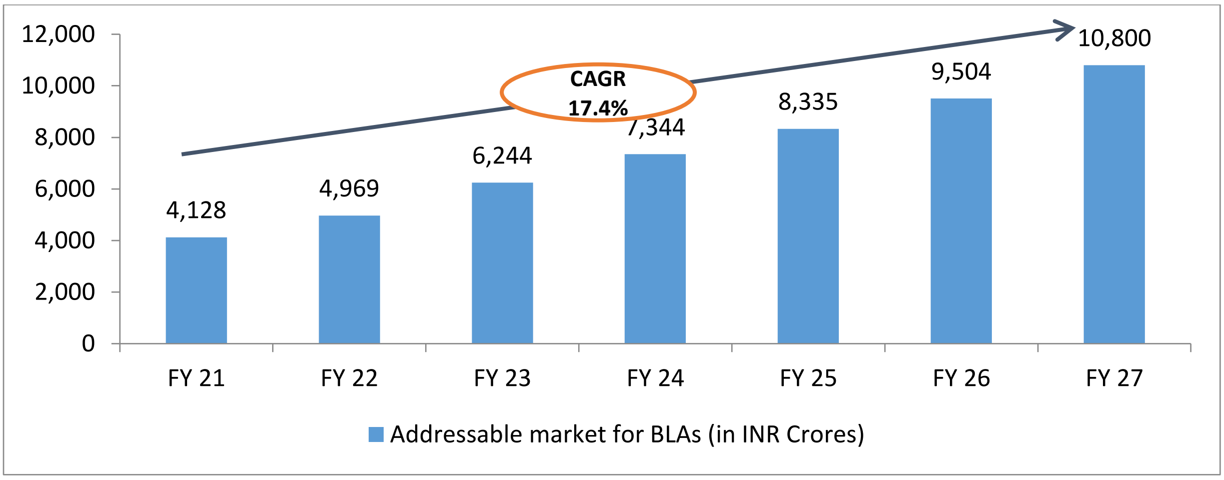


Note: Market size estimates are as of March 2021 *Source*: RBI; Frost & Sullivan; Secondary sources.

While BLAs offer significant convenience to the banks in terms of management, a major driver for the growth for this market is the reduction in CAPEX that banks typically incur in setting up ATMs owing to the high cost of implementation.

Both PSBs and private sector banks are expected to adopt BLAs as their main business model in the future.

BLAs have a high realization rate of approximately 40,000 per BLA owing to costs associated with rent, electricity, maintenance, DCV maintenance, machine cost, monitoring and other backend costs. The realization rate is expected to significantly increase up to 50,000 by Fiscal Year 2027, owing to cost price inflation and price increases due to compliance implementation and a higher mix of cash recyclers. The graph below shows the market size and total available Market of BLAs in India (in ₹ crores) between Fiscal Year 2021 to Fiscal Year 2027:



Note: Market size estimates are as of March 2021 *Source*: RBI; Frost & Sullivan; Secondary sources.

Pure managed service (bank-owned ATMs)

Managed service ATMs are managed and owned by banks that only outsource specific backend services, such as cash forecasting, configuration management, cash replenishment scheduling, transaction monitoring, reconciliation and maintenance services.
The market for ATM managed services includes the following array of services:

- ATM monitoring and setting up of a 24 / 7 help desk to ensure the availability of ATMs as per the service level agreements entered into with the banks;

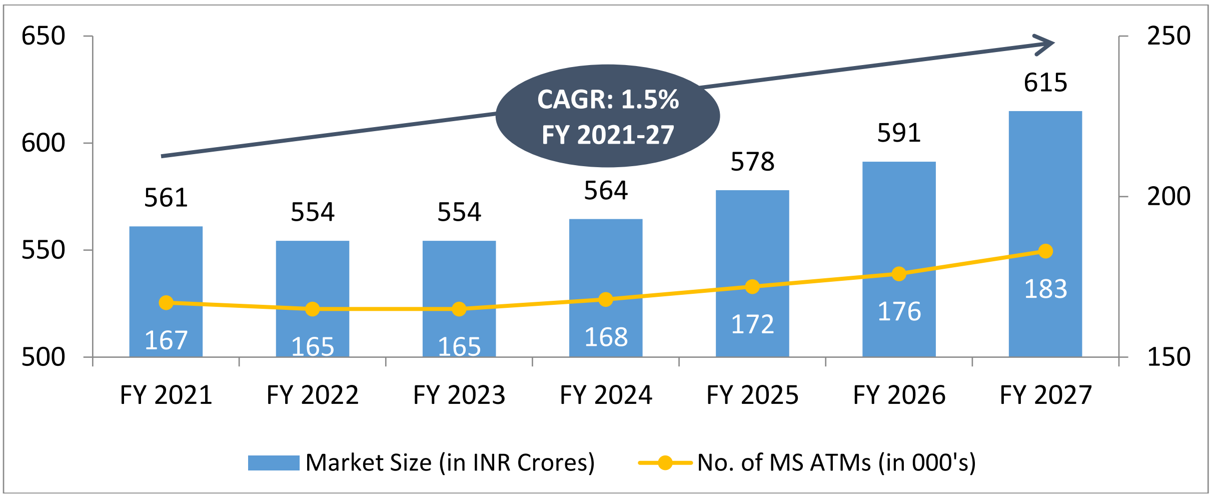
- Event and incident management, following up with various service providers such as cash management companies, communications network providers and ATM manufacturers for faster resolution of issues;

- ATM uptime management and reporting, cash monitoring, forecasting and replenishment management, and

- Housekeeping and site maintenance.

In Fiscal Year 2021, around 167,000 ATMs out of an installed base of 255,000 ATMs are bank-owned and this number is expected to reach 183,000 by Fiscal Year 2027.

The average realization rate for managed service ATMs is expected to remain constant over the next six to seven years owing to the commoditization of offerings, restricted opportunities to charge premiums due to an increase in competition and the potential decrease in service costs owing to technology adoption.
Currently, the managed service ATM market is valued at ₹561 crores and includes all the ATMs in India except the BLAs. In Fiscal Year 2021, the number of managed service ATMs stood at 167,000 and is expected to reach 183,000 by Fiscal Year 2027. The managed service ATM market is expected to grow at a CAGR of 1.5% between Fiscal Year 2021 and Fiscal Year 2027, as illustrated in the graph below:



Note: Market size estimates are as of March 2021 *Source*: RBI; Frost & Sullivan; Secondary sources.

ATM remote monitoring

ATM remote monitoring includes video remote monitoring of sites, both live and trigger-based, distributed or centralized, typically harnessing a two-way audio mechanism and access to quick response teams. Beyond conventional services, remote monitoring could also include other value added services, such as video analytics customer behavior information, remote camera health monitoring, IoT, etc.

Some of the benefits of ATM remote monitoring are as follows:

- **Low cost**: The overheads of utilizing manual security can be addressed by remote monitoring.

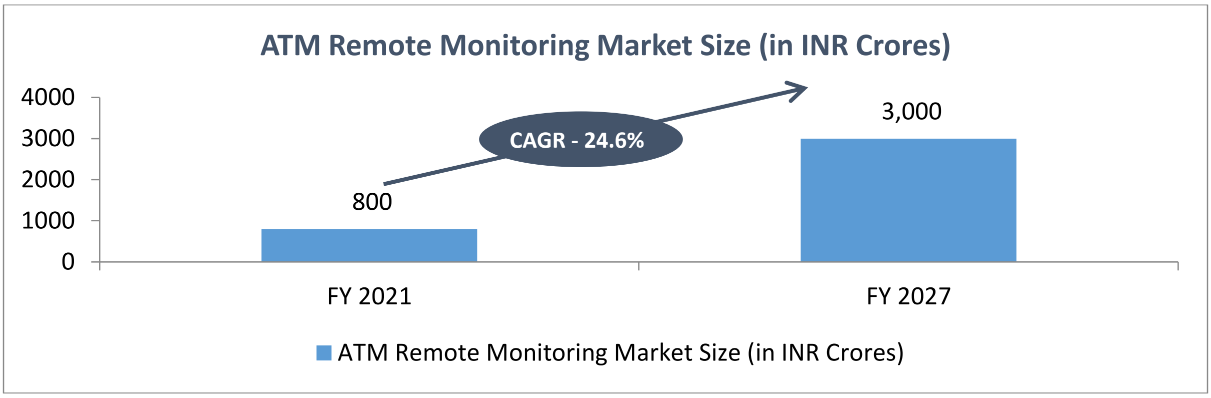
- **Reducing criminal activities**: ATM remote monitoring could reduce the risk of criminal activities, such as ATM fraud and theft.

- **Timely incident responses**: ATM remote monitoring, which involves reporting on a real-time basis could tackle inefficient and unreliable footage retrieval and sharing procedures to improve efficiency and incident response time.

- **Preventing the spread of Covid-19**: ATM remote monitoring could help staff to comply with social distancing guidelines, thereby preventing the spread of COVID-19.

- **Compliance with RBI guidelines**: ATM remote monitoring could assist in compliance with RBI guidelines by ensuring round the clock monitoring of ATMs.

The number of sites for ATM remote monitoring is expected to increase from 400,000 in Fiscal Year 2021 to 580,000 by Fiscal Year 2027. As shown in the graph below, the ATM remote monitoring market stood at ₹800 crores in Fiscal Year 2021 and is expected to reach ₹3,000 crores by Fiscal Year 2027 at a CAGR of 24.6%:



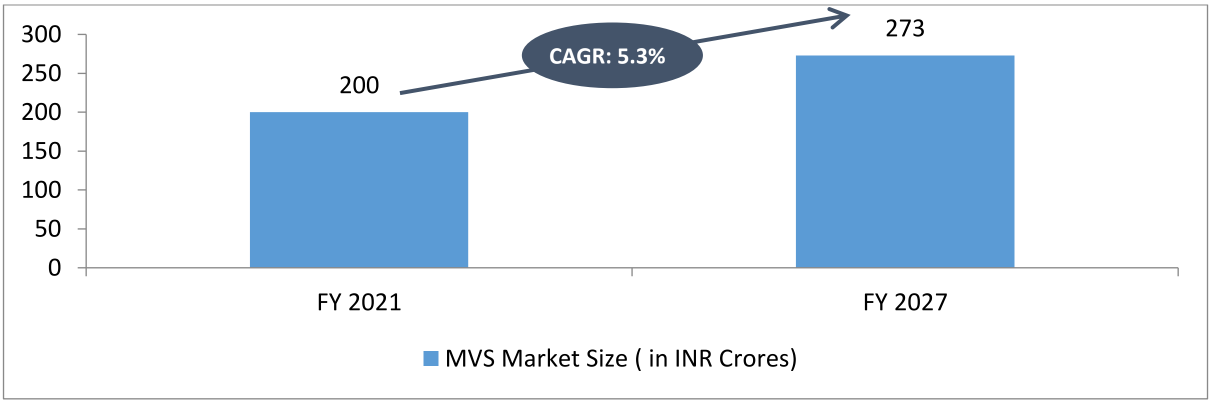
Note: Market size estimates are as of March 2021 *Source*: Frost & Sullivan; Secondary sources.

Multi-Vendor Software ("MVS") Solutions

MVS enables financial institutions to streamline their development and support operations by eliminating the need to maintain and enhance several distinct delivery infrastructures for each new function or service they provide. With players moving in and out of the OEM market, MVS offers security against churn to the banks. MVS also brings cost and operational benefits by eliminating the costs associated with upgrading and managing ATM software. Banks can also leverage their security functions with MVS to manage the changing security guidelines, RBI encryption mandate, etc.

In Fiscal Year 2021, out of an addressable market size of 195,000 ATMS, 110,000 had migrated to MVS ATMs. This number is expected to increase up to 260,000 by Fiscal Year 2027 and will penetrate 100% of the addressable market, predominantly driven by the shift of PSBs to MVS ATMs. By 2025, it is estimated that all PSBs would have migrated to the MVS model – indicated by the fact that five of the top tier banks in India (SBI, Axis Bank, HDFC Bank, ICICI Bank and IndusInd) comprising of over 110,000 ATMs have already moved to MVS.

The following chart sets for the total available market for MVS in Fiscal Year 2021 and expected total available market for MVS in Fiscal Year 2027:



Note: Market size estimates are as of March 2021 *Source: Frost & Sullivan Analysis.*

Competitive landscape for ATM managed services

The competitive landscape for the ATM managed services in India is dominated by 10 to 12 companies, ranging from software conglomerates to financial technologies solution companies to ATM manufacturers. The managed services market has both foreign multi-national companies ("**MNCs**") and Indian companies competing in the space. While there are specialist OEMs as well as MSPs in the market, our Company is one of the few that is present in the entire value chain, including software and technology solutions. The table below shows a few of the companies operating in this market in Fiscal Year 2021 along with the number of ATMs under management:

Automation solutions			Managed Services				Software and Technology			
Company	**ATM supply**	**Kiosks**	**Installation**	**AMC/ SLM**	**MS**	**BLA**	**Remote monitoring**	**MVS**	**OTC**	**End Pt. security**
AGS	Mainly CDs	-	✓	✓	✓	✓	✓	-	✓	✓
CMS	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
FIS	-	-	-	-	✓	✓	-	-	-	-
FSS	-	-	-	-	✓	✓	-	-	-	-
Hitachi	Only CRs	-	Only CRs	Only CRs	✓	✓	Not in-house	-	-	✓
NCR	Mainly CDs	-	✓	✓	✓	-	Not in-house	✓	-	✓
Oki	Only CRs	-	✓	Only CRs			-	-	-	-

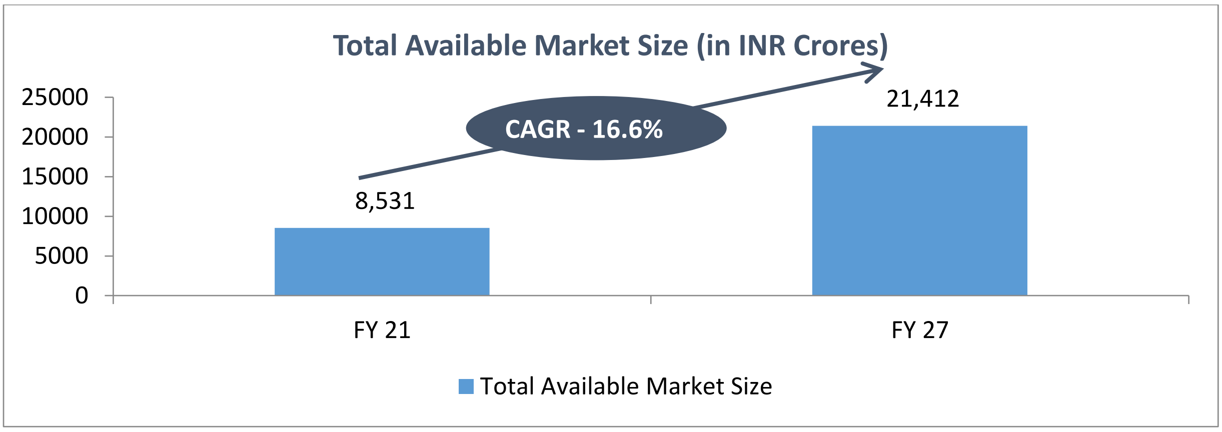
Source: Frost & Sullivan and secondary sources

- Hitachi Payments manages over 63,000 ATMs (including 27,000 cash recycling machines) and 5,800 WLAs as of August 2021.
- FSS Tech manages a network of over 27,000 ATMs as of August 2021.
- AGS Transact manages over 72,000 ATMs and CRMs as of August 2021.
- FIS currently manages 14,000 ATMs across India as of March 2020.
- Our Company manages over 10,000 managed services and BLA ATMs and over 40,000 MVS ATMs as of March 2021. Our Company also has an installed base of banking automation products (such as ATMs) that exceed a deployed base of 30,000 such automation products. We are a leading player in the ATM MVS space in India and have deployed MVS across 40,000 SBI's ATMs. We are one of the top three in banking automation product sales and one of the few players with capabilities in deployments and maintenance across product types (cash dispensers, cash recyclers and other banking automation products, such as passbook kiosks).

Sources: Company Websites; Other Secondary sources

Total Available Market for Cash Management, Managed Services, MVS and Remote Monitoring

The total available market for cash management (ATM cash management, RCM and DCV) product sales (including AMC), ATM managed services (managed serviced ATMs and BLAs), MVS and remote monitoring stood at ₹ 8,531 crores in Fiscal Year 2021 and is estimated to reach a size of ₹ 21,412 crores in Fiscal Year 2027, growing at a CAGR of 16.6%. The following chart sets for the total available market for MVS in Fiscal Year 2021 and expected total available market for MVS in Fiscal Year 2027:



Note: Market size estimates are as of March 2021 *Source: Frost & Sullivan; Secondary Sources*

OUR BUSINESS

The following information should be read together with the information contained in the sections titled "Risk Factors", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Statements" on pages 25, 112, 290 and 213, respectively. Unless otherwise stated or required by context, the financial information used in this section is derived from the Restated Financial Statements. Unless otherwise stated, all references to the "Company" refer to CMS Info Systems Limited and all references to the "we", "us" and "our" refer to CMS Info Systems Limited and, as the context requires, its Subsidiaries at the relevant point of time.

OVERVIEW

India is the third largest ATM market in the world based on the number of installed ATMs, and we are India's largest cash management company based on number of ATM points and number of retail pick-up points as of March 31, 2021, as well as one of the largest ATM cash management companies worldwide based on number of ATM points as of March 31, 2021. (Source: Frost & Sullivan) For Fiscal Year 2021, our total currency throughput, or the total value of the currency passing through all of our ATM and retail cash management businesses, amounted to ₹9,158.86 billion. Our business includes installing, maintaining and managing assets and technology solutions on end-to-end outsourced basis for banks under long term contracts.

Our integrated business platform is supported by customised technology and process controls, which enables us to offer our customers a wide range of tailored cash management and managed services solutions, while generating cross-selling opportunities and driving synergies and efficiencies across our business. We cater to broad set of outsourcing requirements for banks, financial institutions, organized retail and e-commerce companies in India. We operate our business in three segments:

- *Cash management services*, which include end-to-end ATM replenishment services; cash pick-up and delivery; network cash management and verification services (together known as "retail cash management services"); and cash-in-transit services for banks, accounting for 68.61% and 66.74% of our revenue respectively from operations in Fiscal 2021 and the five months ended August 31, 2021, and grew at a CAGR of 0.31% from Fiscal Year 2019 to Fiscal Year 2021;

- *Managed services*, which include banking automation product sales, deployment and associated annual maintenance; end-to-end Brown Label deployment and managed services for banks; common control systems and software solutions, including multi-vendor software solutions and other security and automation software solutions; as well as remote monitoring for ATMs, accounting for 27.88% and 30.64% of our revenue, respectively, from operations in Fiscal 2021 and the five months ended August 31, 2021, and grew at a CAGR of 35.88% from Fiscal Year 2019 to Fiscal Year 2021; and

- *Others*, which include end-to-end financial cards issuance and management for banks and card personalization services, accounting for 3.51% and 2.62% of our revenue, respectively, from operations in Fiscal 2021 and the five months ended August 31, 2021.

The following diagram sets forth a breakdown of our three business segments, as well as the end-to-end service and product solutions that we provide to our customers through our segments:

Our cash management business is largely route-based in nature with 78.11% and 78.70% of revenue, respectively, in Fiscal 2021 and the five months ended August 31, 2021 being generated from activities where route density drives profitability and enables operating leverage. Our managed services business on the other hand is largely recurring in nature with 52.45% and 65.80% of revenue from our managed services business, respectively, in Fiscal 2021 and the five months ended August 31, 2021 being generated from long-term contracts, which provides high revenue visibility for our managed services business.

We believe our services help increase the velocity of cash through the cash cycle by assisting customers to meet their outsourcing needs and increase the speed with which they handle cash by automating and decreasing duplication in the processing and turnaround of cash, which we believe also allows customers to improve their productivity and reduce their cash handling and processing costs. As the amount of cash in circulation increases, so does the need for cash and cash-related services. Cash in circulation in India increased at a faster rate than GDP at a CAGR of approximately 13% from Fiscal Year 2001 to Fiscal Year 2021. As the demand for cash and cash-related services in India has increased, banks and other participants in India are increasingly outsourcing their ATM operations and management in order to process and distribute cash to consumers more quickly and efficiently. For example, of the cash replenishment services provided to the 255,000 total ATMs in India as of August 2021, approximately 60% were outsourced to third-party cash management companies. The revenue of cash management market in India grew from approximately ₹10.0 billion in Fiscal Year 2010 to approximately ₹27.7 billion in Fiscal Year 2021, a CAGR of 10.88% due mainly to an increase in the services offered by cash management companies, including cash vault services, bullion management, cash processing and other services. (Source: Frost & Sullivan)

We also have a track record of successfully incubating and building multiple new service lines in areas adjacent to our business, which has allowed us to offer our customers a broader range of services and products, as well as realize synergies within our managed services business. Our integrated service and product offering has enabled us to shift our business mix towards providing more integrated end-to-end services for our customers, which has meant that we are able to offer our customers lower pricing, more reliable service through a single point of accountability, improved advance planning of routes, faster reconciliation and improved days sales outstanding, which is a measure of the average number of days that it takes company to collect payment for sales, as well as increased customer loyalty and reduced customer turnover. Our ability to do this is demonstrated by our track record of winning large and complex end-to-end Brown Label deployment and managed services customer contracts and expanding the services we provide to our customers. Banks and other participants in India are increasingly also outsourcing their managed services needs, such as through Brown Label ATMs, where we deploy, maintain and manage ATMs on an end-to-end basis under a bank's brand name, and other services, such as multi-vendor software solutions and remote monitoring, in order to drive better ATM management and accountability. As the ATM market continues to shift from bank-managed ATMs to end-to-end deployment by service providers such as us, the business of outsourcing ATM managed services is expected to continue to grow in India. (Source: Frost and Sullivan)

India has one of the lowest ATM penetration rates in the world, with only 22 ATMs per 100,000 adults, compared to a global average of 47 ATMs per 100,000 adults as of December 31, 2020, and the GoI has undertaken initiatives aimed at increasing financial inclusion to give greater access to bank branches and ATMs, in particular in semi-urban and rural regions where ATM penetration is very low at 15 ATMs per 100,000 adults as of December 31, 2020, while payments in cash, which continues to be the primary medium of transaction in India, accounted for approximately 89% of all payment transactions in 2020. In Fiscal Year 2021, approximately 85% to 88% of all transactions by volume were anticipated to be cash transactions. (Source: Frost & Sullivan) We believe our pan-India fleet of 3,965 cash vans and our network of 238 branches and offices, which as of August 31, 2021 cover all of India's states and union territories, except remote union territory of Lakshwadeep, 97.04% of India's 742 districts and 14,949, or 77.46%, Indian postal codes, including difficult to reach and remote rural and semi-urban areas, position us well to take advantage of future opportunities arising from this growth and these initiatives. Through our network, we served 141,977 business points across our ATM cash management, retail cash management and managed services businesses as of August 31, 2021.

We are also supported by our Promoter, Sion Investment Holdings Pte. Limited, which acquired the Company in 2015 and is an affiliate of Baring Private Equity Asia, a private equity firm that has over US$27 billion assets under management as of June 30, 2021. As of August 31, 2021, our Promoter held 100% of our share capital. For further details, see "*Our Promoter and Promoter Group*" on page 208.

For Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, we generated revenue from operations of ₹11,461.59 million, ₹13,832.38 million, ₹13,060.90 million and ₹6,262.94 million, respectively, and profit before tax of ₹1,499.29 million, ₹1,950.61 million, ₹2,377.50 million and ₹1,134.33 million, respectively. For Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, our profit before tax as a percentage of our total income was 12.93%, 14.05%, 17.99% and 18.01%, respectively. As a result of the COVID-19 pandemic, which emerged in late 2019 and subsequent resurgent waves of infection in particular in April and May 2021, our business operations and the operations of our customers have been impacted given the restrictions implemented to reduce the spread of COVID-19. In response to this crisis, we have focused on productivity and efficiencies within our business in order to maintain our profitability.

OUR STRENGTHS

We believe our key strengths are as follows:

Leading player in a consolidating market with strong fundamentals

Despite India having one of the lowest ATM penetration rates in the world, India is the third largest ATM market in the world based on number of installed ATMs, after China and the United States, and is expected to grow at a CAGR of 6.16% from 255,000 as of March 31, 2021 to 365,000 as of March 31, 2027. (Source: Frost & Sullivan) As of March 31, 2021, we are India's largest cash management company based on number of ATM points and number of retail pick-up points and had a market share of 24.7%, based on the total number of ATMs in India, as well as a market share of 41.1%, based on the total number of outsourced ATMs in India. (Source: Frost & Sullivan) For Fiscal Year 2021, our total currency throughput, or the total value of the currency passing through all of our ATM and retail cash management businesses, amounted to ₹9,158.86 billion.

In our industry, there is a positive correlation between market share, network size and profitability. Our industry is consolidating due to changes in regulations designed to ensure that cash management companies meet certain operating standards with respect to the handing of cash, as well as trends in customer preference favouring larger cash management companies with more scaled and stable operations. (Source: Frost & Sullivan) The market share of the two largest ATM cash management companies, one of which being our Company, has increased from 60.0% in Fiscal Year 2018 to 72.0% in Fiscal Year 2021, while the number of cash management companies with over 5.0% market share has decreased from six to four. (Source: Frost & Sullivan) We provide a wide range of services across each stage of the entire cash cycle in India and believe our services help increase the velocity of cash through the cash cycle by assisting customers to meet their outsourcing needs and increase the speed with which they handle cash. In addition, the size and wide reach of our network enables us to realize further economies of scale, allowing us to increase the productivity of our operations and our profit margins.

In Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, our cash management services segment accounted for 77.70%, 70.68%, 68.61% and 66.74%, respectively, of our total revenue from operations. The revenue of the Indian cash management market grew from approximately ₹10.0 billion in Fiscal Year 2010 to ₹27.7 billion in Fiscal Year 2020, a CAGR of more than 10.88% due mainly to an increase in the services offered by cash management companies, including cash vault services, bullion management, cash processing and other services. (Source: Frost & Sullivan) This growth is expected to continue to be driven primarily by:

- Strong economic growth in India, where although India's economy recently has been impacted by the COVID-19 crisis, India's GDP is expected to grow approximately 7.9% per year from 2020 to 2024, compared to global growth of 2.5% per year for the same period (Source: IMF; Frost & Sullivan);

- Increasing cash in circulation, which has grown at a CAGR of approximately 10% to 12% year-on-year from 2001 to 2021 and is expected to continue to increase at a CAGR of approximately 10% from Fiscal Year 2021 to Fiscal Year 2025 as GDP continues to grow (Source: RBI; Frost & Sullivan);

- The increasing number of ATMs in India, which has increased from approximately 223,000 in Fiscal Year 2019 to approximately 255,000 in Fiscal Year 2021, and the increase in the number of banks, in particular public sector banks, that outsource their ATM servicing as the current base of ATM and cash management assets of banks come up for renewal and replacement over the next three years, given the average life spans of ATMs is seven to eight years and since a large portion of ATMs in Indian were installed in 2013 and 2014, as banks focus increasingly on their core business and operations and seek to increase their productivity and reduce costs;

- Growing access to banking services in India, such as debit cards, which have increased at a CAGR of 8% from 2015 to 2021 and numbered 893.4 million cards and 913.8 million cards as of March 31, 2021 and

August 31, 2021, respectively, and are expected to increase the number of debit card transactions as the number of ATMs and ATM penetration in rural areas increases; this, in turn, is expected to drive further investments by banks in their ATM networks (Source: Frost & Sullivan); and

- Government initiatives aimed at increasing financial inclusion to give greater access to bank branches and ATMs in regions of India where penetration is relatively low, including semi-urban and rural regions, where 51% of the total ATMs in India were located in Fiscal Year 2021, which has resulted in an increase in the amount of cash that is utilized through banking and ATM channels, as well as the increased organisation in retail and formalisation of the Indian economy, which have driven demand for cash management services, and as of August 1, 2021, an increase in the interchange fee per ATM transaction from ₹15 to ₹17 for financial transactions in India, which is expected to further support ATM infrastructure growth and deployment.

- The recovery in the banking sector in India which is positioned for a growth phase after an extended period of stagnation in capital expenditures and a credit down-cycle over the last five years as a result of high non-performing asset levels, demonetization, GST implementation and public sector bank mergers. This growth phase is expected to drive expansion in the semi-urban and rural areas in India and investments in bank infrastructure, including ATMs, which is also expected to drive opportunities for variety of service providers to banks, including cash management companies. (Source: Frost & Sullivan)

In addition, as the demand for cash and cash-related services in India has increased, banks and other participants in India are outsourcing their cash management needs, such as through Brown Label ATM, and other managed services, in order to drive better ATM management and accountability. Brown label ATMs are currently expected to increase from 86,000 as of March 31, 2021 to 180,000 as of March 31, 2027, and the outsourcing of ATM cash management services is expected to increase from 60.0% as of March 31, 2021 as a percentage of the total number of ATMs in India to 75.0% as of March 31, 2027. (Source: RBI; Frost & Sullivan) In addition, the outsourcing of cash management services is expected to also be driven by public sector banks increasingly outsourcing their cash-in-transit services to increase their productivity and reduce costs; the outsourcing of cash services by commercial businesses that handle large volumes of cash and security and accountability reasons; as well as increased demand for outsourced cash management services in Tier 2 cities in India from organized retailers, financial services institutions and government agencies. (Source: Frost & Sullivan)

Pan-India footprint with deep penetration in growing markets

Our pan-India fleet of 3,965 cash vans and our network of 238 branches and offices based on the numbers as of August 31, 2021, cover all of India’s states and union territories, except remote union territory of Lakshwadeep, 97.04% of India’s districts and 77.46% Indian postal codes, including difficult-to-reach and remote rural and semi-urban areas, such as the India-Pakistan and India-China border regions, villages in remote regions in the Himalayas, such as Dras in Kargil, the Andaman and Nicobar islands, border towns in Kutch, and remote towns in North East India, such as Roing in Arunachal Pradesh, and few locations which are only accessible by boat. India has one of the lowest ATM penetration rates in the world, with only 22 ATMs per 100,000 adults, compared to a global average of 47 ATMs per 100,000 adults as of 2020, and the GoI has undertaken initiatives aimed at increasing financial inclusion, such as the launch of *Pradhan Mantri Jan Dhan Yojana*, a national programme aimed at providing universal access to banking facilities, including basic bank accounts and ‘RuPay’ debit cards, through bank branches and ATMs, in particular in semi-urban/rural regions where ATM penetration is very low at 15 ATMs per 100,000 adults as of December 31, 2020. (Source: Frost & Sullivan) In addition, the government's financial inclusion programs, including *Pradhan Mantri Jan Dhan Yojana* and other direct benefit transfers, provide direct benefits and subsidies to populations in semi-urban and rural areas and are expected to result in an increase in cash withdrawals and a higher demand for ATMs in those areas in the future, requiring banks to deploy and outsource a greater number of ATMs. In addition, the RBI requires that at least 25% of any new branches that Indian banks open in a given year be in rural areas that do not have access to banking services, and private sector banks have been independently expanding their bank branches in the rural and semi-urban areas as a result of the opportunities created by rural economic growth being created by government initiatives in those areas. (Source: Frost & Sullivan) For these reasons, the geographic reach of ATM cash management services providers is a key purchasing criterial for banks. (Source: Frost & Sullivan) We believe these initiatives have increased and will continue to increase the number of cash transactions in these regions, as well as demand for cash management services and ATM sales and maintenance services.

We believe we were among the first cash management companies to invest in the growth of our business in rural and semi-urban areas in India, and our pan-India footprint enables us to offer our services to our customers in these areas as they grow their businesses and take advantage of opportunities created by these government initiatives and the expansion of the banking network in India. Our platform offers our customers a single point of reference across India for their operations, as well as an integrated service offering. We believe our knowledge of the markets in which they operate and their regional requirements enables us to provide our customers with better quality services that are customized to their needs. As of August 31, 2021, of the total number of ATM points our cash management business serviced, 22.40% were metro, 15.11% were semi-metro and 62.49% were semi-urban and rural, and in terms of geographic location, 23.51% were in the North of India, 26.54% were in the South, 17.61% were in the East and 32.34% were in the West. In addition, as of August 31, 2021, of the total number of retail pick-up points our cash management business serviced, 33.01% were metro, 16.66% were semi-metro and 50.33% were semi-urban and rural, and in terms of geographic location, 26.00% were in the North of India, 30.39% were in the South, 13.00% were in the East and 30.61% were in the West.

Longstanding customer relationships leading to increased business opportunities

The cash management services, managed services and other services that we provide to MSPs, banks and our other customers form a critical function in the businesses that they serve. Accordingly, we believe trust and reliability in our services are of utmost importance to our customers. We believe we have built up that trust through our track record of providing efficient, cost-effective and quality-oriented services, while using risk management systems and processes. Our platform of services aims to provide our customers with the same level of quality, efficiency and consistency across India, regardless of location, while enabling them to benefit from the economies of scale of our network. This is an advantage not only when we are providing a new service in a different location to an existing customer but also when we are taking on a new customer that requires a broad range of services across a number of different locations. In Fiscal Years 2019, 2020 and 2021, we generated at least ₹200 million in revenues from 15, 16 and 16 customers, respectively. In addition:

- in our ATM cash management business, we have enjoyed relationships with six of our 12 largest MSP customers for more than ten years and four additional customers for more than five years. Our contracts with these customers typically range from one to five years; and

- in our retail cash management business, we have enjoyed relationships with our nine largest customers for more than 10 years. Our contracts with these customers typically range from one to five years.

We believe that the strength of our relationships with our customers also puts us in an advantageous position to win new mandates for other key aspects of their businesses, opens cross-selling opportunities and enhances our market reputation as our customers expand their businesses geographically and increase the outsourcing and automation of their banking services, which has been demonstrated by our recent winning of large and complex contracts for projects from various public sector and private sector banks in India.

Integrated business platform offering a broad range of services and products

We have a track record of successfully incubating and building multiple new service lines, which has allowed us to offer our customers a broad range of services and products, as well as realize synergies within our business. For example, in 2017, we acquired the business of a small Brown Label ATM services company (including its ATM outsourcing business contracts to increase our capacity to provide Brown Label ATM services to mid-sized banks and other customers and have successfully scaled up that business to providing Brown Label ATM services for 3,669 ATMs as of August 31, 2021 In addition, in 2019, we entered the multi-vendor software solutions segment and are now a leading player for multi-vendor software opportunities in India. (Source: Frost & Sullivan) We also entered the remote monitoring segment in 2021 and have an order book for 14,920 ATM sites as of July 31, 2021 based on two contract wins of 9,520 and 5,400 ATMs, respectively. With our expanded service and product offering, we are present in all major market segments in the cash management and ATM managed services industry, which means we are able to offer integrated services to customers and provide them with 'one-stop' solutions, which also provides us with a competitive advantage for future projects. Our ability to do this is demonstrated by our track record of expanding the services we provide to our customers, such as SBI, to which we initially only provided ATM cash management services and now offer multiple solutions across the cash management value chain, including retail cash management, banking automation products, remote monitoring, brown label ATM services, managed services, multi-vendor software solutions and currency chest services. We are also able to leverage our broad service and product offering to realize synergies and efficiencies within our own business, such as through combining deliveries and service visits across the different products and services we offer. Our integrated business platform is also supported by customised technology and process controls, which enables us to tailor our cash management and managed services solutions to our customers, while generating cross-selling opportunities and driving synergies and efficiencies across our business.

Systems and processes to manage and scale an operationally complex business

In our industry, as market share and sales volumes increase, operating resources can often be deployed more efficiently and margins can be improved. We are India's largest cash management company based on number of ATM points and number of retail pick-up points as of March 31, 2021. In Fiscal Years 2019, 2020 and 2021, we serviced 52,691, 58,458 and 62,919 ATM points, respectively, through our ATM cash management services, and 41,836, 44,497 and 40,249 retail pick-up points, respectively, through our pan-India fleet, which as of March 31, 2021 included over 3,911 cash vans, 224 branches and offices. In Fiscal Year 2021, we completed 6.7 million ATM activities and 6.0 million retail cash management pick-ups. Managing and coordinating movements of large volumes of cash and the various other services involves complex planning and logistics that can have a significant impact on performance and profitability. In order to maximize the scalability of our operations, we leverage customised systems and processes that are designed around internally developed applications tailored to cater to the specific requirements of the Indian banking sector and our other customers. For example, we have implemented technology platforms, such as CMS Connect, which facilitates critical processes in ATM operations, and CMS ALGO, our fully automated, mobility based, ATM security application, which reduce the time spent on pre- and post-route activities and during first line ATM maintenance calls and replenishments, respectively. We have also developed and implemented AGILE, which is a risk management solution that tracks, reconciles and resolves reconciliation issues between us and our customers. These systems monitor and track the allocation of resources across our business, enabling us to minimize the duplication of efforts and resources and drive operational efficiencies. They also allow us to automate certain processes within our operations, helping us to reduce human error and optimize costs associated with our employees and the third-party service providers and third-party security service providers from whom we procure services.

Our systems and processes are present at all levels of our business, including through:

- enabling the field mobility of our workforce through mobile applications;
- facilitating real-time reporting and monitoring by our branches through web enabled applications;
- identifying available capacities in our network and synergies across our businesses to continue to increase our productivity through route optimization for over 3,300 routes that we planned and structured in Fiscal Year 2021; and
- facilitating coordination of disaster recovery and data centres by corporate management.

We believe these systems and processes and the manner in which we have integrated them into our operations give us a competitive advantage relative to our competitors.

Track record of strong productivity and operational excellence

As our business has grown, we have actively sought to increase our profitability and the efficiency with which we deploy our resources by: (i) increasing the density of stops in the routes of our cash vans; (ii) leveraging the fixed costs of our cash processing infrastructure; and (iii) introducing other efficiencies, such as by standardizing and automating processes. We have done this in conjunction with independent consultants, with whom we undertake studies to identify improvement areas in our operations.

As a result of these efforts, we have realized important gains in critical metrics, including:

- *Productivity*: We have increased our productivity by leveraging our network to realize economies of scale, improving our processes and planning and increasing the density of stops in the routes of our cash vans, such as by using route optimization technologies to identify low density routes and available capacities to optimize the routes of our cash vans. We also encourage and plan overnight vaulting and early withdrawals with our customers, which helps us to maximize the time we have for our operations at customer locations. As a result of the above initiatives, productivity in our Cash management business in terms of activities per route per day increased from an average of 13.5 in Fiscal 2020 to an average of 14.4 in Fiscal 2021. During the months of July and August 2021, we had an average of activities per route per day of 14.9.
- *ATM uptime*: The efficiencies and controls we introduced helped us to further reduce ATM downtime or "cash-outs", when cash is not available at an ATM, and improve ATM uptime. For example, in Fiscal Year 2021 and during the five months ended August 31, 2021, we received an average of 9,276 and 9,020 ATM

first line maintenance calls per day, respectively. Based on the average for August 2021, we were able to adhere to a turn-around-time within six hours in 88.72% of those calls, providing additional uptime for our customers. Improving ATM uptime and turn-around-time for customers not only results in increased customer satisfaction but also decreases aggregate penalty charges that we are required to incur when we do not meet the agreed scheduled response times, hence improving our margins and profitability on any given contract.

- *Reporting and settlement*: We have been able to make improvements in our reconciliation process for our ATM cash management business. For example, we received 110,241 reconciliation-related queries in August 2021, and we had an average success rates of 99.16% for daily reporting of operations performance to clients.

We have also implemented a range of risk management systems, including (i) cash reconciliation processes for analysing any discrepancies reported (and taking appropriate actions, where necessary); (ii) comprehensive auditing procedures, conducted by attending ATMs and routes, and process audits at branches and other relevant locations; (iii) comprehensive and appropriate insurance policies with reputable institutions to distribute risks, and (iv) a team of 19 consultants as of August 31, 2021, which coordinates with enforcement authorities, conducts training, undertakes preventative risk assessments and performs audits of the routes that our cash vans follow. As of August 31, 2021, we also had an audit team of approximately 133 internal auditors that performed internal audits of all of our ATMs, vaults and branches in Fiscal Year 2021 and during the five months ended August 31, 2021. In addition, we also have specific technology-based risk management solutions, such as in-house products like CMS AGILE and CMS ALGO.

Experienced and highly qualified management team that have successfully grown our business

Our senior management team comprises a diverse group of highly experienced and qualified professionals, who have in-depth industry knowledge and expertise, as well as several years of experience at the Company. Many of our senior management team have also held senior positions at leading multinational companies in our industry and other reputable institutions. We are also supported by Baring Private Equity Asia (Sion Investment Holdings Pte. Limited, the Company's current Promoter, is an affiliate of Baring Private Equity Asia), which has expertise and business know-how that it has drawn on to support the Company and grow the Company's business and improve its operations. Our senior management team is led by our Executive Vice Chairman, Chief Executive Officer and Whole Time Director, Rajiv Kaul, who is the former general manager and managing director, India at Microsoft Corporation (India) Private Limited and a former partner at Actis Capital LLP, London. Since 2009, Rajiv and our management team have scaled our Company's operations by identifying growth opportunities for our business to transform our Company into India's largest ATM cash management services and retail cash management services company based on number of ATM points and number of retail pick-up points as of March 31, 2021. (Source: Frost & Sullivan)_For example, we believe we were among the first cash management companies to invest in the growth of our business in rural and semi-urban areas in India.

Rajiv and the senior management team are supported by a strong group of middle management leaders across all our business functions and geographies, who have been key to the growth and performance of our Company. Many of the members of our management teams have worked in their assigned regions for many years and come from diverse backgrounds, such as from financial services or IT services industry, enabling them to contribute directly. We believe in investing in our employees and enhancing their leadership capabilities. As an example of our commitment to continuously developing our workforce, we launched the CMS Learning Academy, where our senior and middle management teams invest time and expertise to train other members of our workforce in areas relevant to their business. We have also implemented a reward and recognition framework, known as the Simply Excellent, across all functions under which we reward the contributions of our workforce to our business. In Fiscal Year 2021 and the five months ended August 31, 2021, over 1,700 and 825 employees, respectively, were awarded under our Simply Excellent framework.

OUR STRATEGIES

The key elements of our business strategy are as follows:

Leverage our scale and integrated offerings to grow our business

India has one of the lowest ATM penetration rates in the world, with only 22 ATMs per 100,000 adults as of December 31, 2020. This has led to the GoI to take initiatives aimed at increasing financial inclusion to give greater access to bank branches and ATMs, particularly in semi-urban and rural regions where ATM penetration is the very low at 15 ATMs per 100,000 adults as of December 31, 2020. (Source: RBI; Frost & Sullivan) For example, starting on August 1, 2021, the RBI has increased in the interchange fee per ATM transaction from ₹15 to ₹17 for financial transactions in India, which is expected to further support ATM infrastructure growth and deployment. In addition, the RBI currently requires Indian banks to open at least 25% of their new branches each year in rural areas that do not have access to banking services, and has relaxed the ATM deployment requirements for non-bank, or white label, market participants. We believe initiatives such as these have increased and will continue to increase the number of cash transactions in these regions, as well as increase demand for cash management services and ATM sales and maintenance services. For example, as the demand for cash and cash-related services in India has increased, banks and other participants in India are deploying more ATMs, which is reflected in the increase in the number of ATMs in India from 223,000 in Fiscal Year 2019 to approximately 255,000 in Fiscal Year 2021, a CAGR of 6.93%. (Source: Frost & Sullivan) We believe our pan-India footprint, which as of August 31, 2021 covers all of India's states and union territories, except remote union territory of Lakshwadeep, 97.04% of India's districts and 77.46% Indian postal codes, including difficult-to-reach and remote rural and semi-urban areas, positions us well to take advantage of future opportunities arising from this growth and these initiatives. We plan to continue to grow our business organically to meet this demand. As of August 31, 2021, of the total number of ATM points our cash management business serviced, 22.40% were metro, 15.11% were semi-metro and 62.49% were semi-urban. Based on internal management classification of ATMs, and in terms of geographic location, 23.51% were in the North of India, 26.54% were in the South, 17.61% were in the East and 32.34% were in the West. In addition, since 2017, public sector banks in India have issued approximately 500 million debt cards under the Jan Dhan scheme, which in turn is also expected to drive further investments by banks in their ATM networks. (Source: Frost & Sullivan)

Our platform offers our customers a single point of reference across India for their operations, and we believe our integrated offerings and knowledge of the markets and regional requirements in which they operate enables us to provide customers with better quality services that are customized to their needs and offer them a 'one stop' solution for a variety of their outsourcing needs. This is an advantage not only when we are providing a new service in a different location to an existing customer but also when we are taking on a new customer that requires a broad range of services across a number of different locations, and we plan to capitalize on this advantage. This is reflected in our track record or winning large and complex customer contracts, such as our recent remote monitoring contract with SBI in 2021 covering 9,520 ATMs in India and our implementation of multi-vendor software for SBI covering 46,377 ATMs across eight OEMs and 12 ATM models with over 50 device configurations as of end August 2021.

Grow through selective value accretive strategic acquisitions

Globally, the cash management industry is a highly consolidated industry, with a small number of large competitors in each market, in part since market participants are often required to leverage their scale and geographic footprint in order to drive productivity and must also make significant investments in technologies and risk management. The cash management industry in India has continued to consolidate in recent years, with a number of large and medium scale mergers and acquisitions in the industry, resulting in the two largest companies (which includes us) in the industry increasing their aggregate market share with respect to the ATM segment from 58% in Fiscal Year 2018 to 74% in Fiscal Year 2021. We have benefited from this trend and have grown and plan to continue to grow our business through value accretive strategic acquisitions, where we can realize synergies across our business. We believe we have a track record of successfully completing business acquisitions and optimizing acquired businesses. For example, in 2011 we acquired SIPL for the amount of ₹1,199.34 million, consolidating our position as the leading cash management services company in India. Since that acquisition, we have successfully improved the SIPL business through aggressive cost controls, including by restructuring operations and route reductions. In 2017, we also took over the business of a mid-sized cash management company for the amount of ₹16.65 million, which helped increase the number of ATMs for which we provide cash management services. In 2018, we also strengthened our retail cash management business by acquiring the retail cash management business of a cash management company in India for the amount of ₹361.00 million, and in 2020, we acquired Logicash for the amount of ₹112.41 million, to further grow our ATM cash management business.

A key part of our business strategy is also acquiring and incubating new businesses and scaling them up where we identify opportunities for potential growth. We did this in 2017, when we acquired the business of a small Brown Label ATM services company (including its ATM outsourcing business contracts for 195 ATMs) for the amount of ₹65.60 million to increase our capacity to provide Brown Label ATM services to mid-sized banks and other customers and have successfully scaled up that business to providing Brown Label ATM services for 3,669 ATMs as of August 31, 2021. In addition, in 2019, we entered the multi-vendor software solutions segment and are now a leading player for multi-vendor software opportunities in India. (Source: Frost & Sullivan) We also entered the remote monitoring segment in 2021 with an acquisition in the amount of ₹210.00 million and had an order book for 14,920 ATM sites as of August 31, 2021. We regularly evaluate new opportunities for acquisitions and often, given our reach and relationships with banks, potential target candidates approach us from time to time in order to leverage off our platform. We aim to continue to use acquisitions such as these to continue to expand our service and product offering in the future.

Further, the acquisitions by the Company, other than SIPL (which was acquisition of the Company), were structured in the form of business transfers, where the Company along with its subsidiaries took over the business contracts and serviced these on its own network. Certain strategic and scale benefits of the respective acquisitions have been detailed below:

SIPL: The acquisition of SIPL, in 2011, helped the Company to consolidate its position, as one of the leading cash management services companies in India. Since SIPL was acquired, it is a 100% subsidiary of the Company. The contribution of SIPL to total income based on audited financials, was ₹1,897.07 million in Fiscal 2021 as compared to ₹1,021.68 million in Fiscal 2011. The contribution, of SIPL, to profit before tax based on audited financials, was ₹246.73 million in Fiscal 2021 as compared to ₹144.56 million in Fiscal 2011.

Brown-Label ATM company: The business transfer from a Brown-Label ATM company, in 2016, helped the Company to increase its capacity, to provide Brown Label ATM services to mid-sized banks and other customers. As a result of the aforesaid business transfer as well as other means, the number of Brown-label ATMs of the Company have increased from nil in Fiscal 2016 to 3,120 in Fiscal 2021. As of August 31, 2021, the number of Brown-label ATMs of the Company was 3,669.

Mid-sized cash management company: The business transfer of a mid-sized cash management company, in 2017, as well as other means, helped the Company to increase the number of ATMs under cash management services from 53,006 as of Fiscal 2017 to 62,919 by Fiscal 2021. As of August 31, 2021, the number of ATMs under cash management services was 66,431.

Retail cash management company: The number of Retail cash management pick-up points, gained as part of the acquisition of the retail cash management business, of a cash management company in India, was 4,526. The business transfer of a retail cash management company, in 2018, as well as other means, helped the Company to increase the number of Retail pick-up points from 37,258 as of Fiscal 2018 to 40,249 by Fiscal 2021. As of August 31, 2021, the number of Retail pick-up points was 42,715.

Logicash: Number of ATMs under cash management acquired from the mid-sized cash management company was 5,340. The business transfer of Logicash, in 2020, as well as other means, helped the Company to increase the number of ATMs under cash management services from 58,458 as of March 2020 to 62,919 by March 2021. As of August 31, 2021, the number of ATMs under cash management services was 66,431.

In addition, we currently intend to consider opportunities that consolidate our market position in existing business lines, achieve operating leverage in key markets and potentially new geographic markets by unlocking potential efficiency and synergy benefits to increase productivity, strengthen and expand our service and product portfolio and enhance our economies of scale and depth of experience, knowledge-base and know-how. We are continually exploring opportunities in the markets that we service and ways in which we can leverage our existing network, expertise and management experience to expand our business through potential new acquisitions.

Capitalize on the growing cash cycle to expand our operations

As the amount of cash in circulation increases, so does the need for cash and cash-related services, and cash in circulation in India increased at a CAGR of approximately 10% to 12% year-on-year from Fiscal Year 2001 to Fiscal Year 2021. The RBI, in its half-yearly Monetary Policy Report released in October 2021, indicated that among the various modes of retail payments in India, the volume of transactions through ATMs, credit cards and debit cards has a high correlation with India’s GDP. Although recently India's economy has been impacted by the COVID-19 crisis, India's GDP is expected to grow approximately 7.9% per year from 2020 to 2024, compared to global growth of 2.5% per year for the same period (Source: IMF; Frost & Sullivan) The increase in demand for cash and cash-related services in India is expected to cause banks and other participants in India to deploy more ATMs. According to Frost & Sullivan, the number of ATMs in India is expected to increase from 255,000 as of March 31, 2021 to 365,000 as of March 31, 2027, a CAGR of 6.16%. We also believe that these trends have caused and will continue to cause banks and other market participants in the cash management market, managed services and across the cash cycle in India to increase the automation of their banking services and their outsourcing of cash management, managed services and other banking services. For example, of the cash replenishment services provided to the 255,000 total ATMs in India as of August 2021, approximately 60% were outsourced to third-party cash management companies. The cash management market in India grew from approximately ₹10.0 billion in Fiscal Year 2010 to approximately ₹27.7 billion in Fiscal Year 2021, a CAGR of more than 10.88% due mainly to an increase in the services offered by cash management companies, including cash vault services, bullion management, cash processing and other services. (Source: Frost & Sullivan)

We currently provide a wide range of services across each stage of the entire cash cycle in India and assist customers to meet their outsourcing needs and increase the speed with which they handle cash by automating and decreasing duplication in the processing and turnaround of cash, including in areas of the cash cycle, such as currency chest automation, that have only recently started being outsourced to third-party companies such as us. We believe this allows them to improve their productivity and reduce their cash processing costs. In addition, within the cash cycle, we see a large opportunity in the ATM sector due to the increasing number of banks, in particular public sector banks, that are focusing more on their core business and operations as part of this trend and, as a result, are outsourcing their ATM servicing, as well as other cash servicing needs. This trend is also being driven in part by the current base of ATM and cash management assets of banks coming up for renewal and replacement over the next three years, given the average life spans of ATMs and since a large portion of ATMs in Indian were installed in 2013 and 2014. Many banks are outsourcing their ATM servicing requirements on an end-to-end basis, including with respect to cash replenishment, and since we are present across the entire ATM and cash management value chain, we can offer our customers integrated service and product offering to meet their needs. We plan to utilize the strength of our relationships with our customers, as well as our network and our expertise in providing cash management and managed services to cross sell our services and capitalize on opportunities across the growing cash cycle in India.

Drive operational efficiencies and increase profitability

As our business has grown, we have actively sought to increase our profitability and the efficiency with which we deploy our resources by increasing our share of integrated services, improving productivity and reducing risk cost associated with our business:

- *Increasing share of integrated services*: We expect our industry to continue to consolidate due to increased regulatory operating standards with respect to the handing of cash and trends in customer preference favouring larger cash management companies with more scaled and stable operations. (Source: Frost & Sullivan) We plan to leverage our scale and reach, together with our integrated offerings, to continue to grow our business and increase market share. We intend to increase the share of our services that are integrated with other services in our business as we shift our business mix towards providing more integrated end-to-end services for our customers. The benefits of doing this include being able to offer our customers lower pricing, more reliable service through a single point of accountability, improved advance planning of routes, faster reconciliation and improved days sales outstanding, which is a measure of the average number of days that it takes company to collect payment for sales, as well as increased customer loyalty and reduced customer turnover.

- *Improving productivity*: We plan to continue to increase our productivity by leveraging our network to realize economies of scale, improving our processes and planning and increasing the density of stops in the routes of our cash vans, such as by using route optimization technologies to identify low density routes and available capacities to optimize the routes of our cash vans, in addition to automating pre- and post-route processes; expanding into semi-urban and rural regions to improve density; reducing withdrawal times in compliance with RBI and MHA guidelines, and improving banking cash services through over-night vaulting and early withdrawals; as well as implementing cassette swaps where possible to reduce the timing of cash replenishments and using technology solutions, such as automated on-time combination (OTC) generation and CMS Connect. We also intend to continue to introduce other efficiencies, such as by standardizing and automating processes throughout our business, as well as continuing to leverage our integrated service and product offering to increase productivity through improved planning and scheduling.

- *Risk cost reduction*: A key aspect of our ability to optimize our business and reduce operational costs is to manage our risk cost through reconciliation and comprehensive auditing procedures, which reduce discrepancies and additional costs associated with our operations. In particular, we intend to continue to invest in and leverage our technological platforms, such as CMS AGILE, which is an automated query resolution tool like CMS ALGO, our fully automated, mobility based, ATM security application; our mobile risk and control self-assessment platform, which is a checklist-based mobile audit application; and the predictive analytics engine used to identify potential defaulters based on demographic and other operational inputs, in order to reduce and mitigate risk cost and comply with RBI and MHA risk-related standards. In addition, we intend to continue to use our comprehensive audit framework, which covers various types of audits, such as ATM audits, route audits, cash vault audits and branch process audits, as well as our dispute resolution processes to ensure timely closure of disputes and recoveries, while continuing to cover our business through bespoke insurance policies to mitigate certain risks associated with our business.

Expand into business areas that create synergies with our current business

We believe we have an established track record of incubating new businesses and scaling up our business in business areas where we identify opportunities for potential growth, whether in a new business area or in areas where we have existing operations. For example, in 2013, we entered into a strategic arrangement with Hyosung TNS Inc., through which we offer a full suite of bank automation products and have base of over 37,000 installed products, supported by a network of over 500 engineers across India, as of August 31, 2021, to provide banking automation product sales and service and maintenance services. Many public and private banks in India are expected to update and expand their ATM networks, and we intend to build on this arrangement in the future and compete aggressively to win a larger share in the ATM update and expansion cycle. In 2017, we began to grow our managed services business by acquiring a Brown Label ATM services company. Since that time, we have scaled up this segment and as of August 31, 2021, manage 3,669 Brown Label ATMs. We intend to continue to grow this business by focusing on customers with higher transacting ATMs and follow a disciplined bidding strategy to generate adequate return on invested capital. We also expanded into multi-vendor software solutions in 2019 and have deployed it across 46,377 ATMs as of August 31, 2021. Further, we entered into the remote monitoring business in 2021 and have an orderbook of 14,920 sites as of August 31, 2021. We have developed, commercialized and implemented multi-vendor software solutions for SBI and intend to continue targeting other large public sector banks in India in this sector. We also now have full in-house capability with respect to remote monitoring services that includes our reach and network of existing engineers that we use for installation and maintenance of our remote monitoring systems. We have also identified and are in the process of expanding three other new business areas, which include remote monitoring outside of the ATM and banking sectors, end-to-end currency management and financial services distribution:

- *Remote monitoring (outside the ATM and banking sectors)*: We intend to leverage our remote monitoring technology to differentiate our product offering and target sectors beyond only the ATM and banking sectors, such as the retail, warehousing and industry sectors, where we expect demand for remote monitoring will continue to grow.

- *End-to-end currency management* – Our end-to-end currency management services for banks include cash processing at currency chests for counting, sorting, checking note fitness, packaging, among other services; end-to-end management of currency chest for banks and NBFCs, including providing manpower and transport at various locations; and services for white-label currency chests. We believe we are well-placed to continue to expand into end-to-end currency management services for banks by leveraging our strong market position in the cash management segment.

- *Financial services distribution* – A key focus of our business strategy is financial services distribution, which includes corporate business correspondent ("**CBC**") services, in which we intend to provide banking-related services, such as cash withdrawals and deposits, payments, KYC, account opening, retail payments, among other things, in areas that are less served by banks by recruiting and managing business correspondents on behalf of banks; fulfilment of financial services on behalf of banks and NBFCs by leveraging our existing infrastructure in order to fulfil financial services being offered by banks and NBFCs, such as on demand pickup and doorstep banking services, NBFC soft loan collections and disbursement; and commission agent services on behalf of banks and NBFCs, which includes distribution of financial services (in particular loans) with end-to-end process management, including services such as lead generation, KYC and documentation, gold appraisal, storage and custody, but excluding underwriting, for a commission on the disbursed value amount.

- *Payment Solutions* – We intend to use our banking relationships and technology capabilities to develop and commercialize a wide-array of differentiated payments solutions, including bill payments, POS networks, digital payments and other merchant payment solutions, and micro-ATM offerings. In addition to our core strengths, we intend to evaluate acquisition targets and develop partnerships to roll out these services.

In addition to these opportunities, we are continually exploring opportunities in the markets that we service and ways in which we can leverage our existing network, expertise and management experience to expand our business organically.

Enhancing our organizational capabilities

We aim to be an employer of choice in India by providing to our employees a compelling place to work and striving to attract the best talent in the industry by focusing on our employees' development, retention and contribution to our success. We believe we offer competitive compensation, superior benefits including health and term insurance, and attractive career growth opportunities to our employees. We believe that this, together with providing our employees and personnel from our third-party services providers and third-party security service providers with comprehensive training and development resources on ongoing and as-needed basis, benefits our employees and our third-party service providers and creates efficiencies within our business by improving the ability of our employees and our third-party service provider personnel to perform their jobs. For example, we plan to continue to build employee capability through programs such as our New Hire Orientation (NHO), Cash Foundation Program, MS Foundation Program, Great Leaders' Program (GLP), Accelerated Leadership Program (ALP) , which focus on enhancing the skills and knowledge of our workforce in areas relevant to our business. We also plan to continue to focus on diversity in hiring, health programs for our employees and personnel provided by our third-party service providers and third-party security service providers and offering specialized safety programs to our workforce to ensure they conduct their jobs safely and efficiently. Our personnel have diverse backgrounds, such as in finance, IT, technology, logistic, telecommunication, BFSI and armed forces, who bring important skills and values into our Company, and we strive to build a strong current and future leadership pipeline at all levels in the organization with our personnel.

We are also committed to continuing to develop processes and systems that support our workforce and our current scale of operations, but which are also sufficiently powerful, flexible and scalable to continue to support our business and operations as they grow. Where we can realize further efficiencies within our business, we plan to continue to develop additional bespoke, internally developed, applications that improve our service response levels and accuracy of information reporting, such as our bespoke Customer Relationship Management portal, developed in conjunction with an IT vendor, which allows us to "ticket" and monitor, through to resolution, issues that arise on a "by customer" basis in connection with maintenance service calls. Through our regional and zonal organizations structure, we plan to continue to decentralize decision-making and profitability responsibilities in order to strive towards "autonomy with accountability", through which we empower our field organization, while still ensuring robust business performance through active head office supervision using customized dashboards and similar technologies.

DESCRIPTION OF OUR BUSINESS

Overview

We offer our services across multiple stages of the cash cycle in India, from when the RBI initially issues cash to currency chest banks, which are authorised by the RBI to hold and distribute rupee notes and coins for circulation to banks, to when cash is deposited back in banks after going through the various stages of the cash cycle. In particular, we are present in three key segments, which include cash management services, which includes a wide range of cash services across the cash cycle, managed services, which includes installation, maintenance and management of assets and technology solutions on an end-to-end outsourced basis for banks under long-term contracts, as well as financial cards issuance and management for banks and card personalization services. As demonstrated in the diagram below, the services we provide at the different stages of the cash cycle include, among other things, providing:

(1) cash-in-transit services to the banks that run currency chests to enable them to distribute the cash to bank branches;

(2) ATM cash management services to banks (on behalf of MSPs) to enable them to distribute cash and replenish their ATMs with cash;

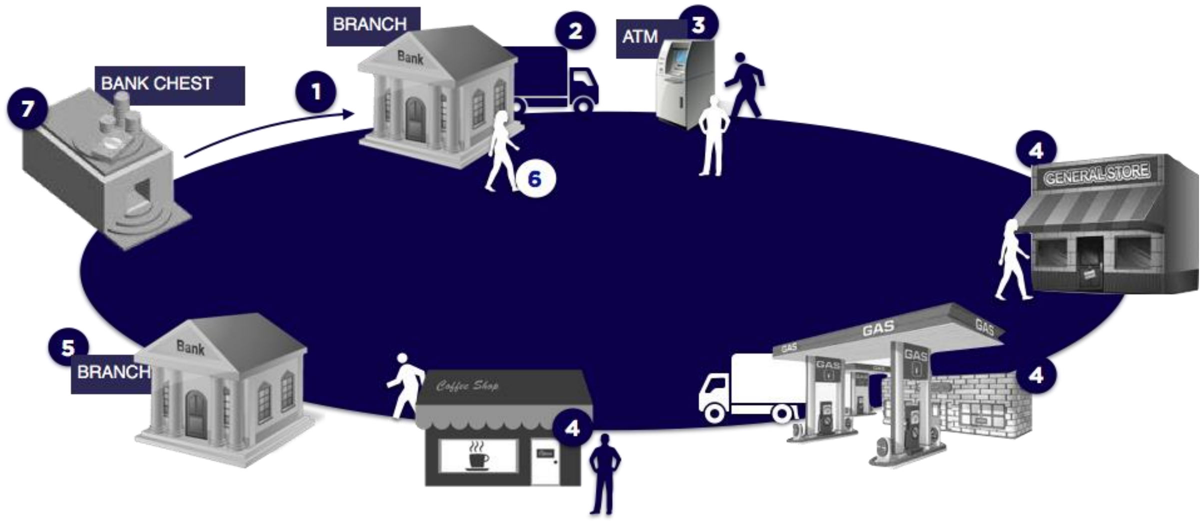
(3) ATM deployment and maintenance services to banks and on behalf of banks, Brown Label ATM services, where we manage ATMs on an end-to-end basis for banks, as well as multi-vendor software solutions, end-point security and remote monitoring services, to enable banks to expand and manage their ATM networks so that cash is readily available to consumers;

(4) retail cash management services to retailers and other corporates that require the cash that they have accumulated from consumers purchasing their products to be picked up, reconciled and deposited with their banks, as well as deployment of retail cash vaults;

(5) reconciliation of ATM and retail cash balances and end-of-day reporting;

(6) credit and debit card personalization services to banks wishing to distribute credit and debit cards to give their customers access to cash; and

(7) currency chest automation, which in addition to dedicated cash-in-transit service, also includes automated cash processing (authenticating, sorting, packeting, bundling and shrink-wrapping currency) and reconciliation and reporting of the movements.



Our Businesses

We operate our business in three segments:

- ***Cash management services***, which include end-to-end ATM replenishment services; cash pick-up and delivery; network cash management and verification services (together known as “retail cash management services”); and inter-branch and currency chest cash-in-transit services for banks, accounting for 68.61% and 66.74% of our revenue from operations in Fiscal Year 2021 and the five months ended August 31, 2021, respectively;

- ***Managed services***, which include banking automation product sales and service sale; end-to-end brown label ATM and managed services for banks; common control systems and multi-vendor software solutions; as well as remote monitoring for ATMs and bank branches, accounting for 27.88% and 30.64% of our *revenue* from operations in Fiscal Year 2021 and the five months ended August 31, 2021, respectively; and

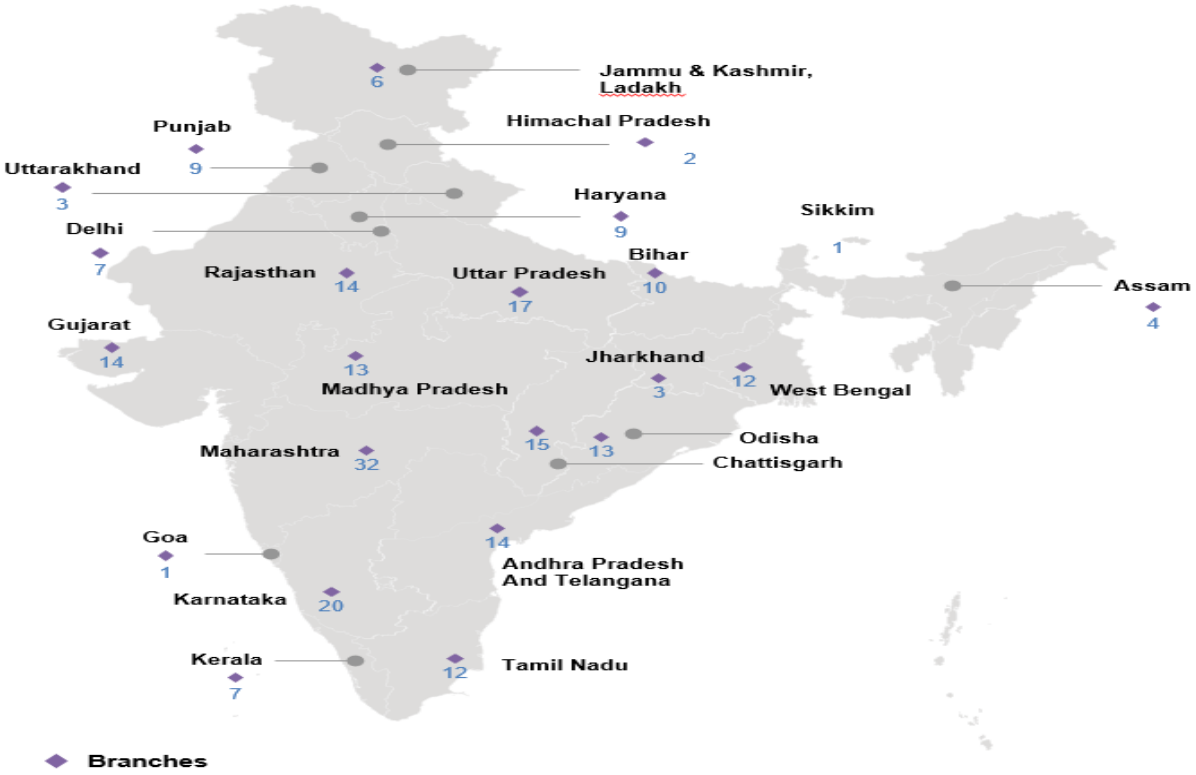
- ***Others***, which include end-to-end financial cards issuance and management for banks and card *personalization* services, accounting for 3.51% and 2.62% of our revenue from operations in Fiscal Year 2021 and the five months ended August 31, 2021, respectively.

The table below sets forth details in relation to contribution of each of our business segments to our total revenue from operations for the five months ended August 31, 2021 and Fiscal Years 2021, 2020 and 2019.

Revenue from operations

	Five months ended August 31,		Fiscal Year ended March 31,					
	2021		2021		2020		2019	
	Amount (in ₹ millions)	*Percentage of total income (%)*	*Amount (in ₹ millions)*	*Percentage of total income (%)*	*Amount (in ₹ millions)*	*Percentage of total income (%)*	*Amount (in ₹ millions)*	*Percentage of total income (%)*
Revenue from operations								
Cash management services	4,179.58	66.37	8,961.25	67.79	9,776.45	70.42	8,905.51	76.82
Managed Services	1,919.06	30.47	3,641.01	27.54	3,622.16	26.09	1,972.11	17.01
Others	164.30	2.61	458.64	3.47	433.77	3.12	583.96	5.04
Total Revenue from Operations	**6,262.94**	**99.46**	**13,060.90**	**98.80**	**13,832.38**	**99.64**	**11,461.59**	**98.86**

We provide our services to our customers though our pan-India fleet of 3,965 cash vans, 238 branches and offices and we serviced 141,977 business points as of August 31, 2021. The following map sets forth our branch network through which we service all of India's states and union territories, except remote union territory of Lakshwadeep, 97.04% of India's districts and 77.46% Indian postal codes as of August 31, 2021.



As of August 31, 2021, of the total number of ATM points our cash management business serviced, 22.40% were metro, 15.11% were semi-metro and 62.49% were semi-urban and rural, and in terms of geographic location, 23.51% were in the North of India, 26.54% were in the South, 17.61% were in the East and 32.34% were in the West. In addition, as of August 31, 2021, of the total number of retail pick-up points our cash management business serviced, 33.01% were metro, 16.66% were semi-metro and 50.33% were semi-urban and rural, and in terms of geographic location, 26.00% were in the North of India, 30.39% were in the South, 13.00% were in the East and 30.61% were in the West.

Cash Management

Our cash management business comprises ATM cash management, retail cash management, cash-in-transit services and other cash management services, which we carry out through two distinct brand names, CMS and Securitrans. Our cash management business is largely route-based in nature with 78.11% and 78.70%, respectively, of revenue in Fiscal Year 2021 and the five months ended August 31, 2021 being generated from activities where route density drives profitability and enables operating leverage.

ATM cash management services

Our ATM cash management services primarily include cash withdrawal from banks, ATM replenishment, cash evacuation and deposition for cash deposit machines and cash recyclers, end-of-day reporting, reconciliation and settlement and first line maintenance services that are necessary to return the ATM machine or its infrastructure to proper operating condition, such as removing jams or refilling paper rolls. We deploy route optimization tools that enable us to provide ATM cash replenishment to our cash management customers more efficiently, and we offer our cash management customers with complete line maintenance of ATMs to minimize ATM downtime. We also offer our customers first line maintenance services through a 24-hour automated ticketing tool. As of August 31, 2021, we provided ATM cash management services to 45 public and private Indian banks, either directly or through MSPs, which are third-parties on behalf of which we provide ATM cash management services. As of March 31, 2019, 2020 and 2021 and August 31, 2021, we serviced 52,691, 58,458, 62,919 and 66,431 ATM points, respectively, through our ATM cash management business. We also had 3.39 million and 1.38 million first line management calls and 6.68 million and 3.30 million ATM activities in Fiscal Year 2021 and for the five months ended August 31, 2021, respectively.

Our key revenue drivers for our ATM cash management business are the number of ATMs for which we provide cash replenishments and the ATM activities during any given month. Our contracts for ATM cash management services are typically for one to three years and generally call for a "slab-based" pricing structure for ATM cash replenishments. In addition, most contracts have an incremental pricing structure based on the number of replenishments that occur during the month. There is also usually an incremental charge for ATM replenishments on holidays and any second replenishment on the same day. For first line maintenance, our contracts typically provide for a certain number of free first line maintenance calls, with any additional calls above that amount being charged on a per call basis.

Retail cash management services

Our retail cash management services include outsourced retail cash pick-up, retail currency processing, retail cash vaults, automated retain cash vault solutions and smart safe solutions for customers. We are able to offer our over 2,000 retail cash management customers (either directly or through banks), as of August 31, 2021, same-day and next-day settlement. Our customers for these services are primarily banks that offer banking services to insurance providers, NBFCs, restaurants, utilities, e-commerce companies, logistics providers, government establishments, fuel stations, consumer goods companies and hospital chains. As of March 31, 2019, 2020 and 2021 and August 31, 2021, we serviced 41,836, 44,497 and 40,249 and 42,715 retail cash management pick-up points, respectively, either directly or indirectly, through our retail cash management business. For Fiscal Year 2021, we serviced 6.0 million retail cash pick-ups.

Our contracts for retail cash management services are typically for one to three years and generally call for an annual price review. The pricing of these contracts is based on a fixed fee with a variable component and linked to the value of the cash that is picked up and deposited. Due to the lengths of the contracts, we typically find that we are able to maintain these contracts with our customers and that the size of our contracts increase as our retail customer's business grows.

Cash-in-transit

As part of our cash-in-transit services, we provide for the inter-city and intra-city transport of cash for our customers. In recent years, we have seen a strong growth in this segment primarily on account of the growing cash in circulation and shift from unorganized to organized compliant service providers on account of RBI and MHA guidelines. The pricing model for our cash-in-transit business is for a fixed fee per month plus additional fees, depending on what extra operations, based on time and distance, are required). In Fiscal Year 2021, we provided cash in transit services for 19 banks in India through our fleet of 901 dedicated cash vans in Fiscal Year

2021. In the five months ended August 31, 2021, we provided cash in transit services for 19 banks in India through our fleet of 937 dedicated cash vans in the five months ended August 31, 2021.

Emerging businesses

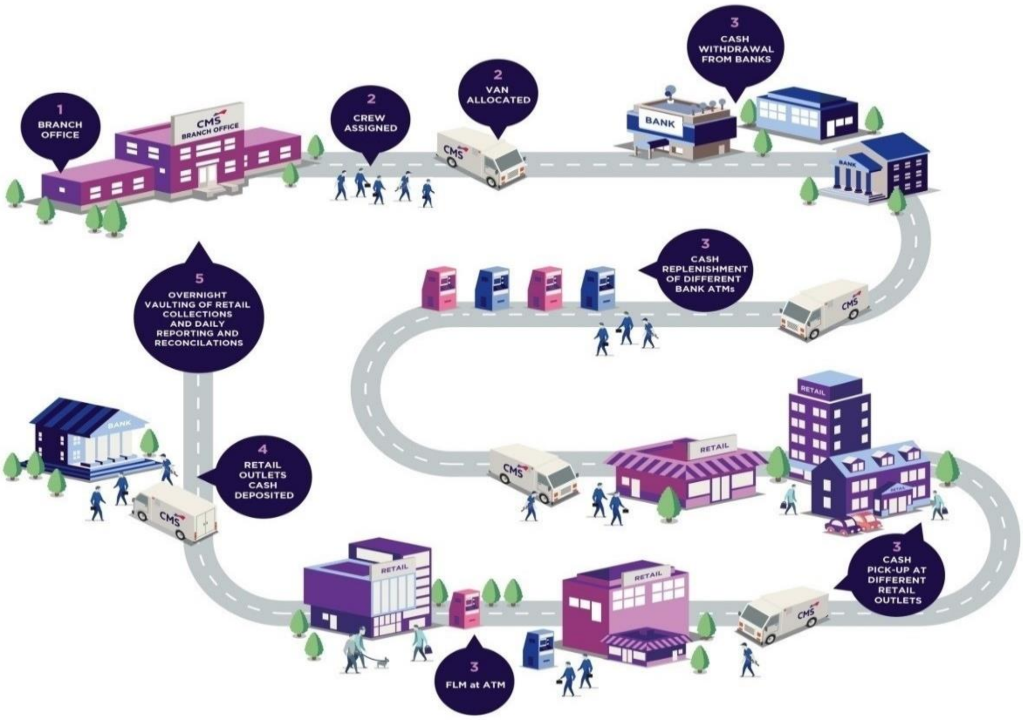
Currency chest: Our currency chest solutions include cash processing at currency chests for counting, sorting, checking note fitness, packaging, among other services; end-to-end management of currency chest for banks and NBFCs, including providing manpower and transport to and from various locations; and services for white-label currency chests. Historically, the operations of currency chests have been managed internally by state-owned banks; however, the operations of currency chests and their cash management needs are expanding and currency chests are finding themselves in need of further automation and cash management services in order to process cash at lower costs. With a total market size of approximately 4,075 currency chests in India as of March 31, 2021, there is an increasing trend in the industry for these services to be outsourced by the banks to private third-party companies, such as us. (Source: Frost & Sullivan) We provide services to execute and operate currency chests across India to public sector and private sector banks in India. The currency chest market reached a size of ₹5 billion in Fiscal Year 2021. (Source: Frost & Sullivan)

Bullion: Our bullion services include the transport and logistics for the movement of bullion between two businesses, the movement of bullion for delivery and pick-up from and to end customers, as well as for customs clearance, vaulting and local deliveries of bullion.

On-demand pick-up solutions: We offer a number of tailored on-demand pick-up solutions for our customers, which include NBFC soft loan collections, document collections, mandate verifications, insurance cheque pick-ups and other financial services back-end processes. We are able to utilize our existing reach and network to maximize synergies for these services and drive efficiencies through our real-time dynamic routing solutions. We also plan to leverage our on-demand pick-up solutions to broaden our capabilities with respect to other financial services, such as KYC services and doorstep banking services.

Synergies realized among our cash management businesses

Managing and coordinating movements of large volumes of cash and the various other cash management services we provide to our customers, involves complex planning and logistics that can have a significant impact on the performance of our customers' businesses. In particular, route productivity and profitability is fundamental to many of our business activities and requires intensive planning and precise execution by our team. We have continuously invested in and implemented systems and processes in order to maximize route productivity and profitability and optimize our business. Set out in the diagram below is a high-level overview of our cash management operations and the process by which we coordinate our ATM cash management services with our retail cash management services, enabling us to leverage synergies between these businesses and increase our productivity:



(1) *Cash indent and pick-up instructions*. Our daily operations typically start early in the morning when an MSP (our customer) sends us an order for cash replenishments of specific ATMs. This order, along with information on cash pick-up from retail points, is automatically routed to the relevant CMS location as well as to the local bank branch where the money will be picked up;

(2) *CMS Connect and CMS Route Mapper.* At our branch, all indents for ATM replenishment from MSPs along with cash pick-up instructions for the day from the banks are input into our in-house proprietary CMS Connect and our CMS Route Mapper. The system then allocates the teams, vans and routes to include the best combination of replenishments and cash pick-ups, ensuring that the maximum number of points are covered in the most efficient manner in terms of distance and timing (For example, we take into account how much time is to be spent at each ATM, and our planning applications search for the route that can visit the greatest number of ATMs, retail pick-up locations, bank branches and other customers within the maximum permitted time between departing the branch and returning). The system also integrates first line maintenance calls on ATMs into our routes while adhering to our ATM uptime service agreements. Our local teams further check to confirm the assigned routes ensuring that local exigencies are planned for, which may not be a systematic calculation.

(3) *On the Road.* Once the route is determined, the vehicle with its allocated crew then initiates the route and go to the bank branch for withdrawal of the cash required for replenishing the particular ATMs, and proceeding along the optimized route, which in this case includes retail cash pick-ups and deposits and first line maintenance of other ATMs; and

(4) Crew deposits the cash collected from retail & corporate clients, in most cases banking it the same day or vaulting it overnight for certain clients as per their instructions.

(5) *Real-time and day-end reporting.* Our crew are also equipped with hand-held devices at all times to provide real-time cash pickup information, which gets relayed to our customers. Once the route is completed, daily reporting and reconciliation of the various services provided takes place.

Managed Services

We are one of the few companies in India that can offer end-to-end management of an ATM network, from both an operational and a management perspective, through a single point of accountability. Our managed services business is largely recurring in nature with 52.45% and 65.80% of revenue from our managed services business in Fiscal 2021 and in the five months ended August 31, 2021, respectively, being generated from long-term contracts, which provides high revenue visibility for our managed services business. Our managed services business services include:

- *Banking automation product sales and service (AMC),* that includes ATM sales, where we offer customers a variety of bank automation products through cooperation with various OEMs, as well as product deployment, service and AMC support through the product life cycle. Our product offering includes ATMs, cash recyclers, passbook kiosks, teller cash recyclers;

- *Brown label ATM and pure managed services,* include Brown Label ATM services, where we deploy, maintain and manage ATMs on an end-to-end basis under a bank's brand name and provide ATM *infrastructure* to bank customers who pay on an ongoing, day-to-day operational basis, as well as pure managed services, where we manage ATMs owned by banks on an 'asset-light' basis, including through the provision of services such as second-line maintenance, reconciliation, Electronic Journal (EJ) management, cash forecasting, among others;

- *Software solutions* including ATM multi-vendor software solutions, ATM software upgrade services and *proprietary* software solutions for risk management and transaction reconciliation; and

- *Remote monitoring* for ATMs and bank branches through centralized monitoring centres by deploying cameras and advanced sensors on site with a provision for quick response function upon detecting any *threats* or adverse events.

Banking automation sales and service (AMC)

We have an installed base of 26,194 products under banking automation product sales and service ("**AMC**") as of August 31, 2021. Our AMC services include automation product sales, where we offer customers automation products through cooperation with various OEMs, product deployment, service and AMC support through the product life cycle for bank automation products, such as ATMs, cash recyclers, passbook kiosks and teller cash recyclers. As of August 31, 2021, we have a network of over 500 engineers who provide banking automation sales and service and maintenance support and are also involved in the sales, deployment and management of our products. We have an arrangement with Hyosung TNS Inc., as well as arrangements with other suppliers, and we are able to offer our customers sales services for a full range of ATMs and bank automation products, including self-service ATMs, cash dispensers and Bunch Note Acceptors ("**BNAs**"), as well as branch teller productivity enhancers, such as teller cash recyclers. We are also able to undertake large and complex projects on a turnkey basis, including with respect to sales and deployment of automation solutions, followed by maintenance. Our product sales provide us with an entry point to add recurring revenue from AMC services, as well as bundle additional services. During Fiscal Years 2019, 2020 and 2021, we deployed 3,857, 7,255 and 7,462, respectively, ATMs and other bank automation products for our customers. Additionally, we can provide site implementation services in connection with deployments, which involves us overseeing the implementation of an ATM site from start to finish.

Set out below is a summary of each of our product offerings for which we can provide deployment services:

- *Cash dispensers*, or ATMs, are machines which enable withdrawal of cash through debit and credit cards. A cash dispenser also has a chest holding currency (typically in various denominations) and a dispensing *module* which picks up, moves and dispenses specific combinations of currency upon instruction by the user.

- *BNAs,* are typically used for large volume currency deposits and have the capacity to hold large volumes of currency and utilize high-speed processing functions.

- *Cash recyclers and teller cash recyclers*, which are self-service machines that can accept and dispense *cash* and, in the case of teller cash recyclers provide a video interface, to customers who wish to interact with bank executives.

- *Passbook kiosks,* which are used by customers for self-service updates and printing of banking *passbooks*.

- *Sale of parts,* this includes the sale of parts such as cassettes, ATM locks, anti-skimming machines, *among* other parts.

Our key contractual arrangements in respect of ATM deployments include fixed price per ATM, which includes the machine cost, logistics, taxes & duties, site implementation (including cost of air conditioning, power supply, network connectivity and UPS, as applicable). In our contracts we generally act as the primary vendor to our customer and enter into back-to-back warranty arrangements with the OEMs for the machine supply and the contractors for the ATM site development. Deployment services for public sector banks are usually undertaken following a tender process that has strict qualification criteria. We currently provide second-line maintenance services for multiple OEMs, including Hyosung TNS Inc., and have grown to become one of the leading multi-vendor ATM Maintenance service providers in India. Our ATM maintenance services are complementary to our ATM deployment services, and we often secure ATM maintenance work from the same customer following an ATM deployment. Our contracts with customers of our ATM maintenance services typically range from five to eight years.

Brown label and pure managed services

Since January 2017, we have been expanding our managed services offering by scaling up our Brown Label ATM offerings, in which we deploy capital on behalf of a bank to set up an ATM and operate and service it under a five to eight-year contract. These contracts typically come with an option to extend the contract up to three years until ATM is no longer fit for purpose. For our Brown Label ATM services, we earn fees based on different payment structures, including fee per transaction and fixed monthly fees arrangements. We have won two sizable contracts from SBI and another public sector bank in India in 2020 and 2021, respectively, for 3,000 and 900 Brown Label ATMs, respectively. We intend to continue to grow this business by focusing on customers with higher transacting ATMs and follow a disciplined bidding and pricing strategy to generate adequate returns on our capital. We intend to leverage our integrated services offering to deliver higher uptime and superior service quality and the existing branch network and local insights to source and identify high potential sites for ATM deployments. Our Brown Label ATM customer base also provides captive customer base for our cash management business and enables us to provide better route planning and productivity.

We also provide pure managed services, where we manage ATMs owned by banks on an 'asset-light' basis, including through the provision of services such as second line maintenance, reconciliation, Electronic Journal (EJ) management, cash forecasting, among others. We are also developing a ‘franchisee model’ that is an asset-light concept in which we earn a fixed fee with a share of interchange revenue and are actively looking at partnering with payment banks and small finance banks in this area.

In Fiscal Year 2019, 2020 and 2021, we serviced 673, 963 and 3,120 Brown Label ATMs, respectively, and provided pure managed services with respect to 347, 530 and 6,985 ATMs, respectively.

Software solutions

Our software solutions include ATM multi-vendor software solutions, ATM end-point security and software upgrade services and proprietary software solutions for risk management and transaction reconciliation. Using our multi-vendor software, banks are able to centralize ATM channel management to a single central command center in order to enhance their customer experience and make real time updates. Our software is vendor-agnostic, which means that it functions across different ATM hardware and software, which means that our customers are able to procure ATM hardware and software components separately from different vendors, without being dependent on any one vendor. In 2019, we won a contract to implement multi-vendor software on up to 100,000 ATMs and have completed implementation on 46,377 ATMs as of August 31, 2021. We also offer banks ATM end-point security software solutions. Our ATM end-point security software is deployed at 63,819 ATMs and cash recyclers as of August 31, 2021.

We also currently expect to market and sell proprietary software solutions that we have developed and use in-house to customers in the future. These include CMS ALGO, our fully automated, mobility based, ATM security software application, which provides E2E password management, facial recognition and geo tag-based validation, and has been implemented across our business and is currently used in over 40,452 ATMs as of August 31, 2021 and CMS AGILE, automated reconciliation for predictive risk management, which has handled 1.2 million queries with 94.6% accuracy in Fiscal Year 2021. In September 2021, our CMS ALGO ATM security application won the Best in Future of Trust Award at IDC Future Enterprise Awards 2021, India, and our recent managed services contract wins include a multi-year software contract win from a public sector bank in 2021 for ALGO OTC software on 6,948 ATMs over five years. The Indian public sector banks are currently consolidating, and we see this consolidation as an opportunity to help our customers reduce complexity and manage changes and updates across their ATM networks by integrating our software solutions, while also reducing reconciliation times and helping to reduce cash leakage and frauds. ATM channel security has been an important priority for the RBI and we will expect this to continue and drive security upgrades.

Remote monitoring

Our remote monitoring services involve us deploying and maintaining cameras and sensors at remote locations, such as ATM and cash recycler sites, and providing centralized monitoring services from a technology enabled control room. Our remote monitoring systems utilize proprietary software to detect potential threats remotely using AI and self-learning technology and enables our customers to monitor and manage their ATM networks. We have also recently signed an agreement for an acquisition in this segment to enhance our capabilities in the remote monitoring business in 2021, which closing is currently pending. We intend to use our integrated offering and our shift into Brown Label ATM services in order to build a captive and recurring revenue base. As of July 31, 2021, we had an orderbook of 14,920 ATM remote monitoring sites from two bank customers.

Others

Our Others business includes end-to-end financial card solutions for our card customers, which are primarily banks. Our financial card services primarily involve sourcing plastics cards and chips (when the cards include EMV) and personalizing the cards with embossing and printing, uploading variable encrypted data on the chip or magnetic stripe (including the packing and dispatching of sealed envelopes with the cards and printed stationary). Our financial card customer solutions also include data generation for card personalization, card and chip personalization programs, cryptographic key management solution, consultancy for migration and instant card issuance capabilities. We have also developed proprietary card personalization management software called "CPMS Gnxt Software", which was developed in-house and is used by banks issuing credit and debit cards. Our card personalization is done at facilities that have been certified by two global card payment networks, and our product offering includes credit cards, debit cards, as well as smart cards, and we have expertise in handing various types of smart card issuance programs.

Customers

For Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, our top three customers in terms of revenue contributed 31.93%, 42.33%, and 42.36% and 44.59%, respectively, our top five customers in terms of revenue contributed 48.25%, 55.79%, 55.73% and 57.01%, respectively, and our top 10 customers in terms of revenue contributed 71.45%, 75.41%, 75.13% and 74.97%, respectively, in each case of our total revenue from our operations. Our largest customer is a public sector bank which contributed 10.07%, 23.45%, 17.90% and 18.78% in Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, respectively.

The customer base of our ATM cash management business is diversified and includes over 13 MSPs, and service 45 public and private Indian banks directly and through MSPs, as well as white label ATM deployers, as of August, 2021. The banks that we service include public sector banks and private sector banks such as Axis Bank, HDFC Bank and ICICI Bank.

Our customers in our retail cash management business are primarily banks and include Axis Bank, HDFC Bank, ICICI Bank and IDBI Bank, among others. We directly and indirectly serve more than 2,000 end-customers of our bank customers across various sectors, including e-commerce logistics providers, NBFC and financial services institutions, large format organized retailers, insurance companies, railways and transportation network operators, apparels and accessories retail chains, healthcare chains, hospitality chains and government and utilities, among others.

Our customers in our cash-in-transit business are primarily banks for their inter-branch and currency chest movements of currency and other items of value. Our cash-in-transit customers include public and private sector banks, such as Axis Bank, HDFC Bank, ICICI Bank and IDBI Bank.

We also serve customers in a variety of emerging businesses, including banks for currency chest automation, jewellery value chain participants in India for bullion services to other businesses and customers, as well as on-demand pick-up solutions for financial services companies, such as NBFCs and insurance companies. We also have a track record of deploying banking automation products for banks and MSPs in India. We provide ATM maintenance services and supply of spares to these customers under five to seven year contracts.

Our Brown Label ATM services and managed services include key customers such as HDFC Bank and ICICI Bank. We have deployed multi-vendor software and end-point security solutions for our customers in ATM remote monitoring include banks and MSPs. Our remote monitoring customers include leading public sector banks, such as SBI. Our card personalization solutions customers include leading public and private sector banks such as HDFC Bank, IDBI Bank and ICICI Bank.

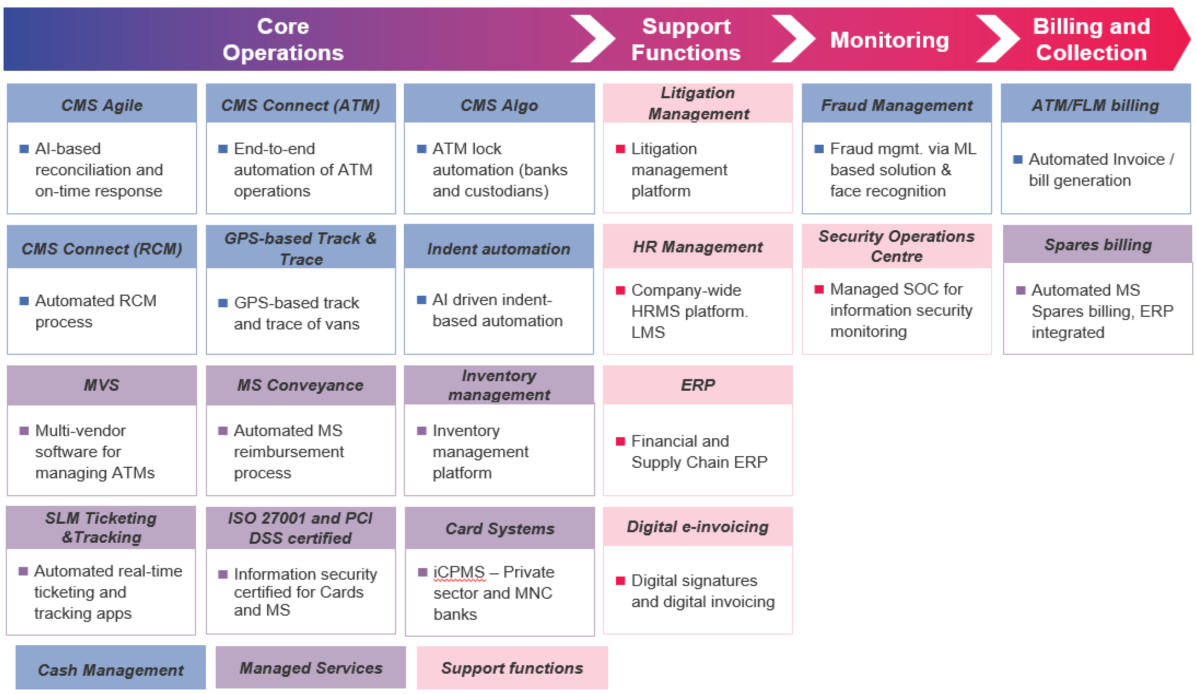
Suppliers

We have over the years identified and partnered with leading global and domestic suppliers to deliver high quality services and products to our customers at different points in the cash cycle. Among our key supplier relationships are Hyosung TNS Inc. for products such as ATMs, cash dispensers and BNAs and Teller Cash Recyclers and other global and domestic suppliers for banking automation products such as kiosks, remote monitoring hardware, network equipment and other products.

Information Technology and Process Controls

Our integrated enterprise resource planning (ERP) information management system comprises multiple applications, including proprietary applications, that monitor, track and evaluate service levels and model, analyse and optimize the allocation of resources and daily routes. These applications and systems support our internal and external communications and interactions with our customers, support strategic planning and sales and marketing functions, record financial transactions and support our internal and external reporting processes, which enables coordination and quick decision making across our business. Our ERP information management system utilizes a third-party ERP software system, which has been adapted to our ERP system to help us automate and integrate various parts of our business functions, such as sales, purchasing, operations and accounting. We also use third-party management systems for our HR functions and our litigation management. We also use multiple applications, some of which we have developed in-house, including: CMS AGILE, which is an automated query resolution tool for the cash management industry, CMS Connect, which enables automation of critical processes in ATM operations, and CMS ALGO, our fully automated, mobility based, ATM security application, as well as Daily Route Dispatch, which helps optimise the daily route of drivers; Vehicle Management System, which tracks the services of various cash van; Route Mapper, which provides a static view of all routes and driver details; and risk management system, which assists us in reconciling cash levels at various points in the process.

Our information technology and process controls are integrated to run across our core operations in cash management and managed services, manage support and monitoring functions and manage billing and collections. The diagram below sets forth how our ERP information management system and our various applications are integrated across our business:



Sales and Marketing

As of August 2021, our sales, marketing and customer relations teams comprised 23 personnel who are primarily based in large cities in India, including Mumbai, New Delhi Chennai, Kolkata, Hyderabad, Bangalore, Pune, Ahmedabad, Lucknow, Bhopal, Chandigarh, Bhubaneshwar, Jaipur and Cochin.

Our sales and marketing teams are structured based on customer segment and nature of engagement:

- Our Corporate Sales and Business Development team focuses on creating new revenue opportunities by promoting new business offerings (e.g., Brown Label ATMs, remote monitoring, retail cash vaults and currency chests) or identification of new customers. Once these new opportunities have achieved steady and sustainable scale, these accounts are transitioned to the relevant business unit teams.

- Our business unit sales teams focus on increasing the depth and breadth across existing relationships and are organised as follows:

  - ATM cash management sales team, which handles our relationships with existing MSPs and pitches for new additional business from existing MSPs as well as new MSPs;

  - Retail cash management sales team, which works with banks as well as with retail outlets to understand their retail cash management requirements and to pitch for new business;

  - Managed services sales team, which focuses on competitive bids for ATM deployment contracts, Brown Label ATMs, remote monitoring and software sales; and

  - Card sales team, which works with banks to procure new orders and manage existing relationships.

We also have regional and zonal sales teams present in most of the main cities in India to develop and maintain relationships with retailers and banking partners at the regional level.

Our sales and marketing strategy is focused on directing our resources to seek the best opportunities and increase sales by leveraging our established relationships and our competitive advantages, such as our large network, size and broad range of services. This includes leveraging and deepening our existing customer relationships and the banks to whom we provide services to market and cross-sell our various services, such as through our integrated account management offering and offering products that can be used across their various business units. We also work very closely with the marketing teams of the OEMs whose products we sell, utilising their international sales and communication resources to promote their products and our services. In addition, we conduct customer satisfaction surveys to monitor customer satisfaction, so they can they can better market our services. We also have integrated our bid management process by setting up cross-functional teams across sales, operations and finance covering our different business segments, which helps us take a strategic and long-term view on contracts that we bid for, including in relation to future cross-selling opportunities.

Risk Management

By virtue of the nature of our industry, we often define our work as that of handling other people's risk. Given the large volumes of cash we handle and our exposure to various risks, including theft by third parties, end-customer or third-party fraud, theft or embezzlement by employees or personnel of third-party services providers or third-party security service providers and reporting errors (both deliberate and inadvertent), among others, risk management is of paramount importance to our business. We continuously seek to expand our understanding of risks at a national and local level and have created a code of conduct policy, which applies across all business functions. We have developed comprehensive internal structures, processes, policies and guidelines to manage operational risks, and to minimise losses to our customers and us. These include:

- Continuous review and development of processes for managing both operational and financial risks, with the aim of, to the extent possible, taking only controlled risks and seeking to prevent financial losses and minimize the risks we choose to accept;

- Reconciliation related processes, whereby we facilitate reconciliation between the Bank and MSP and also undertake a detailed analysis, investigation and resolution of any discrepancies arising from the process that are reported to us;

- Operational process controls, such as cash carrying guidelines for cash vans, our dual custodian model (where a first person initiates an activity and a second person must approve or verify it separately), lock and chain mechanisms for cash trunks and similar operational controls;

- Comprehensive auditing procedures, conducted by attending ATMs and routes, and process audits at branches and other relevant locations. Audits are conducted with and without notice;

- Continuous internal communication with respect to risk at all levels of management;

- Monitoring risk areas and assessment of any investment needs, as well as cost-benefit analyses to ensure that investments will result in the desired reduction in risk; and

- Comprehensive and suitable insurance policies with reputable institutions, which are underwritten to ensure that the risk is appropriately distributed.

Our risk management processes and procedures are carried out by four separate departments, which ultimately report to their business unit head. The four departments include Reconciliation, Audit, Insurance and Security, which have the following key responsibilities:

- *Reconciliation*: Chargeback resolution, technical investigation, data analytics and MIS, and customer engagement;
- *Audit*: Cash inventory audit, process compliance, special audits and certifications;

- *Insurance*: Policy renewal, claim intimation and settlement; and

- Security: ATM and route audits, liaising with enforcement authorities, preventive risk assessment and conduct security trainings.

As of August 31, 2021, our internal audit team comprised approximately 133 personnel that is responsible for auditing all relevant parts of our cash management and managed services businesses. Each month, we carry out internal audits across our branches, routes and ATMs under our service, which includes cash inventory audits, process compliance audits, other special audits certifications. Specifically, our audit framework is comprised of the following:

- *ATM audit*: a cash inventory verification procedure to ensure that the physical cash in an ATM vault matches with its expected balance;

- *Route audit*: a process compliance procedure to ensure that our operations are carried out as per the SOP, including that cash vans are mobilized and our cash carrying activities are operated as per internal guidelines;

- *Cash vault audit*: a cash inventory verification procedure to ensure the closing balance of an ATM vault matches with its expected balance, as well as a process compliance procedure to ensure the cash vaults are operated as per the SOP and that security processes are adhered; and

- *Branch process audit*: a functional audit of our operations and our fleet, as well as our administration, human resources, security and accounts departments with a focus to ensure adherence to internal and external polices.

To reduce the operational risk posed by our employees or personnel provided to us by third-party services providers and third-party security service providers, we systematically perform comprehensive background checks (including police verifications and reference checks), and compulsory Aadhar number verifications. We have developed a whistle-blower policy for field staff, and seek to take prompt and appropriate disciplinary actions in respect of any discrepancies in cash balances (which disciplinary actions include, where appropriate, engagement of enforcement agencies and police and other appropriate disciplinary actions, including termination of employment and contractual undertakings with the relevant member of our workforce).

We also utilize the following technology platforms to facilitate our risk management efforts:

- first in industry machine learning-based end-to-end automated query resolution tool;

- *CMS ALGO:* our fully automated, mobility-based, ATM security application;
- *mobile risk and control self-assessment platform, which is* a checklist-based mobility-based auditing tool; and
- Python-based predictive analytics engine to identify potential defaulters based on demographic details and other operational inputs.

Our other key governance and risk management-related policies include a Code of Conduct, a Whistle-Blower Policy and a Workplace Sexual Harassment Policy.

Human Resources

We aim to be an employer of choice by providing a compelling employee value proposition, and strive to attract the best talent in the industry and ensure our workforces' development, retention and contribution to our success by striving to create an environment in which our employees feel included and appreciated and a culture that promotes diversity, equity and inclusion. Our personnel have diverse backgrounds, such as in finance, IT, technology, logistic, telecommunication, BFSI and armed forces, who bring important skills and values into our Company, and we strive to build a strong current and future leadership pipeline at all levels in the organization with our personnel. To that end, we encourage autonomy for our operations in different regions and zones through implementing a decentralized decision-making model and P&L responsibility, as well as equip our employees with skills and knowledge required for their duties by implementing enhance learning and development initiatives under which training programs and workshops are offered to our employees and personnel provided by third-party service providers and third-party security service providers on an ongoing and regular basis. In addition to on-the-job training, we also provide our employees and personnel provided by our third-party service providers and third-party security service providers with training in specific areas or specialized operations on an as-needed basis. As an example of our commitment to continuously develop our workforce, we launched the CMS Learning Academy, focusing on enhancing the skills and knowledge of our workforce in areas relevant to our business. In addition, we have in recent years focused on implementing digital transformation in our HR systems to facilitate more effective people management.

We are focused on constructive labour relationship management, which we believe is the key to effective operations of our business. To strengthen employee engagement, we have implemented a robust reward and recognition framework, known as the Simply Excellent, across all functions under which the workforces' contributions to the business are rewarded. In Fiscal Year 2021, over 1,700 employees were awarded under our Simply Excellent framework. Other reward initiatives include our Bravery Awards (Lion Heart and Brave Heart), which are awarded to our employees who we deem to exhibit integrity, valiance and loyalty in performing their duties. In Fiscal Year 2021, we awarded 14 employees with Bravery Awards. We also have our Udaan Program, which is a scholarship program for our employees' children. Other benefits include the CMS Family Suraksha Plan, Group Mediclaim and Group Personal Accident Insurance.

Our workforce comprises our employees and personnel provided by third-party service providers, which include drivers, custodians, back-office executives and cleaning personnel. To protect our operations and employees, we also procure security services from registered third-party security service providers. For Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, we had 8,407, 8,031, 6,943 and 7,447 employees, respectively, and 13,094, 15,143, 15,006 and 15,203 personnel, respectively, provided by third-party service providers and third-party security service providers (including consultants).

Set out below are brief details of our employees and personnel provided by our third-party service providers and third-party security service providers as of August 31, 2021.

Category	As of August 31, 2021
Company Employees	
Leadership	6
Senior Management	23
Middle Management	691
Non-managerial staff	6,727
Total employees	**7,447**
Total personnel of third-party service providers and third-party security service providers (including consultants)	**15,203**

Category	As of August 31, 2021
Total	**22,650**

For Fiscal Year 2021 and the five months ended August 31, 2021, we employed 6,943 and 7,447 employees, respectively. We also engaged 15,006 and 15,203 personnel respectively, provided to us by our third-party service providers and third-party security service providers (including consultants). Of our 238 branches and offices as of August 31, 2021, 92 branches and offices have unionized employees and personnel provided to us by our third-party service providers and third-party security service providers, who are covered by collective bargaining agreements.

As of August 31, 2021, we had a total of 10 unions representing approximately 4,118 of our employees and personnel provided to us by our third-party service providers and third-party security service providers. We typically negotiate wages and benefits through our negotiations with trade unions under long-term collective bargaining agreements, which typically include agreed wage increases over a three-year period. From time-to-time we may experience labour unrest, strikes, lockouts or other labour action and work stoppages that may prevent us from providing our services to our customers. In Fiscal Year 2019, 2020, 2021 and the five months ended August 31, 2021, we experienced 17, 18, 19 and one, respectively, strikes and work stoppages during the course of our business operations in relation to union disputes. In particular, due to union unrest involving labour strikes, we were required to close down one of our branches in Kolkata in June 2020. As a result of this closure, a total of 347 employees and personnel provided to us by our third-party service providers and third-party security service providers were affected and of whom 286 of them were compensated in accordance with Indian law. See "*Risk Factors- 23. Our relationships with our workforce and the trade unions, as well as changes in the laws and regulations that regulate those relationships, could adversely affect our business, results of operations and financial condition*" on page 43 for more details.

Insurance

Our operations are subject to certain risks such as the risk of embezzlement by our employees and personnel provided by third-party service providers and third-party security service providers (including consultants), risk of equipment failure, work accidents, theft, burglary, vandalism, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions, including hazards that may cause injury and loss of life, severe damage to and the destruction of property, equipment or cash that is in our possession and environmental damage. We have comprehensive and appropriates insurance policies with reputable institutions to cover the risks that we and our customers face and these policies are underwritten to ensure the risk is appropriately distributed. Our principal types of insurance coverage include money in transit insurance, terrorism insurance, ATM site insurance, vehicle insurance, comprehensive commercial general liability products insurance, directors and officer's liability insurance, office package policy, group medical claim and accident policy and erection all risk policy, which includes a cash insurance policy. Our policies may expire in the normal course of our operations and we typically renew our insurance policies periodically. The adequacy of our insurance coverage is consistent with insurance coverage of similar companies in our industry and in accordance with the requirements of our key customers.

Health, Safety and Environmental

We aim to comply with all applicable health and safety regulations and other requirements in our operations and have adopted a health and safety policy that is aimed at ensuring the safety of our employees, the personnel provided to us by third-party service providers and third-party security service providers and the people working in in and around our business or under our management. We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks and by providing appropriate training to our management and workforce. We have in place various work safety measures to ensure a safe working environment for our workforce and for the public. Such measures include general guidelines for road safety and health and safety in our operations, such as accident reporting and reporting hazardous situations or faulty property or vehicles to supervisors as part of accident prevention. Our greatest environmental impact is from the emissions of the cash vans that we use in our operations. We are continually evaluating possible technical and logistical solutions to reduce these emissions.

Intellectual Property

We conduct our operations under the "*CMS*" and "*Securitrans*" brand names. The trademark "*CMS*" and tagline "*Connecting Commerce*" are owned by and registered in favour of us. We have made applications for registration of trademarks which include "*CMS Connecting Commerce*", "*CMS (label)*", "*ALGO (label)*" and "*CMS Cash*

Index" under different classes. Further, we have also applied for registration of trademark "*CMS Simplifying Life*" (under class 9). The artistic label CMS and the CMS logo have been assigned to us pursuant to a deed of assignment of trademarks and copyrights dated August 19, 2015 by CMS IT Services Private Limited.

Competition

The cash management industry has been consolidating globally, which is driven primarily by the need for scalability and operational efficiencies. Specifically in India, the cash management industry is undergoing a maturing process, resulting in consolidation among existing industry participants. Such consolidation in the industry has been going on over the last decade with a large number of market participants have exited the industry, and further consolidation is expected to continue for the foreseeable future, especially among the top two players in the industry, with emphasis being placed on scalability that drives profitability through route optimization and increased productivity. Another driver for consolidation has been customers migration towards more established and well-capitalized service providers in the market given the heightened focus on risk and operational management and regulatory compliance in the industry. As one of the largest industry participants, we may consider opportunities for mergers or acquisitions that may arise which are value-accretive and commercially appropriate for our shareholders and us. Consolidation of MSP customers is also taking place as a result of players either exiting the cash management space or selling parts of the business due to challenges in operations and profitability, particularly for sub-scale businesses, as well as other players focusing on their core businesses other than cash management.

We believe that competition in our industry is based on a number of factors, including quality of service, price, ATM uptime, scale of distribution and service networks, scope of services, geographic locations, reliability, customer reporting and relationships and contract length. While we compete against different players across different service offerings, we believe that none of our competitors provide the entire suite of products and services that we do. For cash management, our main competitors in ATM cash management are AGS and Writer Safeguard; in retail cash management are Brink's, Radiant Cash Management Services Writer Safeguard; in cash-in-transit services are SiS Prosegur and Checkmate. For managed services, our main competitors in Brown Label ATM and managed services are Hitachi, AGS, Euronet, FIS and FSS; in automation product sales and solutions are NCR, Hitachi and Oki; in software and technology are NCR and KAL; in remote monitoring are some domestic companies. (Source: Frost & Sullivan)

Legal Proceedings

For details relating to any tax or other legal proceedings involving us, our Directors, Promoter or Subsidiaries, see "*Outstanding Litigation and Material Developments*" on page 320.

Corporate Social Responsibility

Under Indian law, we are required to form a corporate social responsibility ("**CSR**") committee and spend, in each financial year, at least 2% (as per Section 135 of the Companies Act 2013) of our average net profits generated during the three preceding financial years towards specified CSR activities. In Fiscal Years 2019, 2020 and 2021, we were required to spend ₹20.35 million, ₹26.97 million and ₹31.69 million, respectively, and our actual spending for these purposes was ₹42.45 million, ₹25.06 million and ₹33.40 million, respectively. In Fiscal Year 2022, we plan to spend on CSR activities which included activities in the areas of (i) financial inclusion; (ii) skill development; and (iii) capacity building initiatives. Please see "*Our Management- Corporate Social Responsibility Committee*" on page 201 for more details.

Property

Our Company's Registered Office is located at Belapur, Navi Mumbai. As of August 31, 2021, our operations were spread across India through our 238 branches and offices, including our administrative offices in Mumbai, Delhi and Chennai, from where we carry out key management operations. Each of our branches and offices, are operated from leased premises, except for the Registered Office at Belapur, Navi Mumbai, which is held on long-term lease basis by one of our subsidiaries, namely CMS Securitas Limited, from a third party. We do not hold any freehold interests in the properties from which we carry out our operations. Typically, our lease arrangements for our branches are for a period ranging between one year to five years, except the Registered Office, which is leased under a long-term lease, and for our administrative offices for a period of up to nine years.

KEY REGULATIONS AND POLICIES

The following description is a summary of certain sector-specific statutes, regulations and policies which are applicable to our Company and its business and operations in India. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies that are available in the public domain. The description set out below is only intended to provide general information to the investors and may not be exhaustive and is neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions.

Taxation statutes such as the Income Tax Act, 1961, Customs Act, 1962, the relevant goods and services tax legislation and applicable shops and establishments statutes and other miscellaneous regulations and statutes such as the Trademarks Act, 1999, apply to us as they do to any company in India. For details of government approvals obtained by our Company in compliance with these regulations, see "Government and Other Approvals" on page 328.

INDUSTRY-SPECIFIC LEGISLATIONS

Private Security Agencies (Private Security to Cash Transportation Activities) Rules, 2018

The Ministry of Home Affairs on August 8, 2018 issued the Private Security Agencies (Private Security to Cash Transportation Activities) Rules, 2018, which lay down guidelines for standard operating procedures for providing security by the private security agencies to cash transportation activities. These guidelines among other things, require the use of specially-designed and fabricated cash vans and live GPS tracking of cash vans, stipulate a cash-carrying limit of ₹5 crore per trip, mandate training and certification of security personnel, as well as require that besides a driver, two armed security guards and two ATM officers or custodian to board each cash van and that no ATM should be replenished with cash after 9 pm in the cities and 6 pm in rural areas.

Cash management / cash-in-transit sector falls within the ambit of "outsourcing of financial services", which has been specifically allowed by the RBI to enable banks to use outside agencies for certain aspects of their business. While the RBI does not prescribe any licensing, registration, or approval requirements for the cash management business, it prescribes certain compliance standards for arrangements between cash management companies and banks, through the following circulars and guidelines:

RBI guidelines on 'Managing Risks and Code of Conduct in outsourcing of financial services by Banks' (along with subsequent circulars dated March 3, 2008, December 11, 2008, April 22, 2009 and March 11, 2015)

These guidelines dated November 3, 2006, direct the banks to ensure that the outsourcing / sub-contracting agreements with entities to which financial and other ancillary services are outsourced by the banks, are compliant with requirements set out by RBI. Broadly, these requirements include timely reconciliation of transactions, due diligence of service provider's employees, confidentiality of customer data, security and internal controls, audit coverages, to be implemented by the service providers. Particularly, these guidelines require that the outsourcing agreements executed by banks must clearly identify the activities that would be outsourced (*along with appropriate performance standards*).

Similarly, the ***Directions on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs*** issued by the RBI on November 9, 2017 and the ***Guidelines for Managing Risk in Outsourcing of Financial Services by Co-operative Banks,*** issued by the RBI on June 28, 2021, provide direction and guidance to the NBFCs and co-operative banks respectively, to adopt sound and responsive risk management practices for effective oversight, due diligence and management of risks arising from outsourcing activities including cash management services.

RBI circular on 'Cash Management activities of the banks – Standards for engaging the Service Provider and its sub-contractor'

The above circular dated April 6, 2018, has imposed certain minimum standards which must be prescribed for a service provider/sub-contractor by banks proposing to enter into arrangements for cash management activities, which include, *inter alia*, the following:

(a) Minimum net worth requirement of ₹100,00,00,000 for all future outsourcing agreements, which shall be maintained at all times. In case of existing outsourcing agreements, the above minimum net worth requirement should have been met as on March 31, 2019, or at the time of renewal of the agreement, whichever is earlier, and maintained thereafter;

(b) Minimum fleet size of 300 specifically fabricated (*GPS enabled*) cash vans, having separate passenger and cash compartments with a CCTV (*with recording for at least 90 days*) in both compartments;

(c) Every cash van shall accommodate, in addition to a driver, 2 custodians and 2 armed gunmen (*with valid gun licenses*);

(d) All staff associated with cash handling shall be trained, and character / antecedent verification must be done meticulously;

(e) All cash movements shall be carried out only in the daylight, with some relaxation for areas with local police guidelines;

(f) Vaults in the cash vans shall be equipped with all fire safety gadgets, along with other security systems like emergency and burglary alarms, hotline with the nearest police station, lighting power back-up and inter-locking vault entry doors;

(g) Critical information like customer account data shall be highly secure, with access restricted only to the banks; and

(h) Adherence by private security agencies working with cash management companies to additional regulation / guidelines with respect to security as prescribed under PSARA.

RBI circular on 'Cassette – Swaps in ATMs'

The circular dated April 12, 2018, advises all banks to use lockable cassettes in their ATMs which shall be replaced at the time of cash replenishment, by cash management companies. Banks have been advised to implement the above in a phased manner covering one-third ATMs operated by the banks every year, such that all ATMs achieve cassette swap by March 31, 2021, which is further extended till March 31, 2022, *via* a circular dated July 12, 2021. Further, banks have also been directed to submit quarterly reports within seven days of the end of the quarter, starting from the quarter ended September 2021, on the progress of the cassette swapping in ATMs.

RBI circular on 'Outsourcing of Cash Management – Reconciliation of Transactions'

The circular dated May 14, 2019, prescribes certain timelines for banks to ensure timely reconciliation of transactions/ ATM cash replenishment between the bank and the cash management companies. Further, it requires the banks to encourage its service providers to: (i) implement an efficient digital records management system for data retrieval and reconciliation; and (ii) create and maintain a database of employees, at industry level through a code of identification prescribed by the self-regulatory organization (*i.e., the CCA*), to ensure that unblemished records are maintained.

GENERAL LEGISLATIONS

Motor Vehicles Act, 1988 ("Motor Vehicles Act")

The Motor Vehicles Act and the rules prescribed thereunder regulate all aspects of motor vehicles in India, including licensing of drivers, registration of motor vehicles, control of motor vehicles through permits, special provisions relating to state transport undertakings, insurance, liabilities, offences, and penalties. Accordingly, the Motor Vehicles Act places a liability on every owner of, or person responsible for, a motor vehicle to ensure that every person who drives a motor vehicle holds an effective driving license. Further, the Motor Vehicles Act requires that an owner of a motor vehicle bears the responsibility of ensuring that the vehicle is registered in accordance with the provisions of the Motor Vehicles Act and that the certificate of registration of the vehicle has not been suspended or cancelled. Further, the Motor Vehicles Act prohibits a motor vehicle from being used as a transport vehicle unless the owner of the vehicle has obtained the required permits authorising him to use the vehicle for transportation purposes.

The Central Motor Vehicles Rules, 1989, a rule prescribed under the Motor Vehicles Act, sets out the procedures for licensing of drivers, driving schools, registration of motor vehicles and control of transport vehicles through issue of tourist and national permits. It also lays down rules concerning the construction, equipment and maintenance of motor vehicles and insurance of motor vehicles against third-party risks.

The Motor Vehicles (Amendment) Act, 2019 was enacted by the Parliament in August 2019 to amend the Motor Vehicle Act, 1988 and introduce new traffic rules for road safety. Along with stiffer penalties for traffic violations, the act provides for new rules pertaining to grants of licenses and permits and vehicle fitness standards.

The Information Technology Act, 2000 ("IT Act")

The IT Act regulates information technology i.e., it governs information storage, processing, and communication. It was enacted with the purpose of providing legal recognition to electronic transactions, electronic records, electronic signatures and their use, retention, attribution, and security. The Act also facilitates electronic filing of documents.

The IT Act provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. The IT Act further provides for civil and criminal liability including fines and imprisonment for various cybercrimes, including unauthorised access to computer systems, unauthorised modification to the contents of computer systems, damaging computer systems, the unauthorised disclosure of confidential information and computer fraud. Penalties are provided for cybercrimes which include tampering with computer source document and electronic publishing of obscene information, in addition to provision of compensation in certain cases. The IT Act creates liability on a body corporate which is negligent in implementing and maintaining reasonable security practices and procedures, and thereby causing wrongful loss or wrongful gain to any person, while possessing, dealing, or handling any sensitive personal data or information in a computer resource owned, controlled or operated by it but affords protection to intermediaries with respect to third-party information liability.

In April 2011, the Department of Information Technology under the Ministry of Communications and Information Technology ("**MeITY**") notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 under Section 43A of the IT Act (the "**SPDI Rules**") which give directions for the collection, disclosure, transfer, and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The SPDI Rules also require the body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data. According to the SPDI Rules, the sensitive personal data shall not be disclosed by the body corporate to any third party without obtaining prior permission from the provider.

LABOUR LEGISLATIONS

In addition to aforementioned material legislations, certain labour laws including:

Shops and Commercial Establishment Legislations

The provisions of shops and establishments legislations, as may be applicable in a state in which establishments are set up, regulate the conditions of work and employment and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work. All establishments must be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations.

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws, including the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Gratuity Act, 1972, the Payment of Bonus Act, 1965, the Bombay Shops and Establishments Act, 1975 and the Maternity Benefit Act, 1961, Maharashtra Labour Welfare Fund Act, 1953, Contract Labour (Regulation and Abolition) Act, 1970 among others.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes:

Code on Wages, 2019*

The Code of Wages regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976 received the assent of the President of India on August 8, 2019. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.

Industrial Relations Code, 2020*

The Industrial Relation Code consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes received the assent of the President of India on September 28, 2020. It subsumes and simplifies the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

Code on Social Security, 2020*

The Code on Social Security amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's Compensation Act, 1923, Employee’s State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee’s Provident Fund and the Employee’s State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

The Occupational Safety, Health and Working Conditions Code, 2020*

This code consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Contract Labour (Regulation and Abolition) Act, 1970 and received the presidential assent on 28 September 2020.

**The Code on Wages, 2019, The Code on Social Security, 2020, The Industrial Relations Code, 2020 and The Occupational Safety, Health and Working Conditions Code, 2020 (enacted by the Parliament of India and assented to by the President of India) will come into force as may be notified in the Official Gazette by the Central Government of India, different dates may be appointed for different provisions of the Codes*.

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is also applicable to the operation of our Company.

LEGISLATIONS RELATING TO INTELLECTUAL PROPERTY

Trade Marks Act, 1999 (“Trademark Act”)

In India, trademarks enjoy protection under both statutory and common law. Indian trademark law permits registration of trademarks for goods and services. The Trademark Act statutorily protects trademarks and prevents use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademark Act. An application for trademark registration can be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future.

Applications for a trademark registration can be made for in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. The mark lapses in ten years unless renewed. The Trademark (Amendment) Act, 2010 allows Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. The Trademark (Amendment) Act, 2010 has been enacted to amend the Trademark Act, which enables Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other jurisdictions. The amendment also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

Copyright Act, 1957 (“Copyright Act”)

The Copyright Act governs the law protecting copyrights in India and defines infringement and provides remedies for the same. Copyright refers to the exclusive right to do or authorise others to do certain acts in relation to original (1) literary, dramatic, or musical works, not being a computer programme; (2) computer programme; (3)

artistic work; (4) cinematograph film; and (5) sound recording. The object of the Copyright Act is to protect the author of a copyrighted work from any unlawful reproduction or exploitation. Copyrights subsist during the life of the author/creator of the work and 60 years thereafter in case the author is a natural person. Registration of copyrights can be done by submitting a registration form to the Copyright office. While copyright registration is not a pre-requisite for acquiring or enforcing a copyright, registration constitutes prima-facie evidence of the particulars entered therein and may expedite infringement proceedings.

OTHER LEGISLATIONS

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, and other applicable statutes imposed by the Centre or the State Government and authorities for our day-to-day business and operations. Our Company is also amenable to various central and state tax laws.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as 'Subhiksha Realty Private Limited', at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated March 26, 2008 issued by the RoC. The name of our Company was subsequently changed to 'CMS Info Systems Private Limited' pursuant to a fresh certificate of incorporation granted by the RoC on December 10, 2008. Thereafter, our Company was converted into a public limited company pursuant to a special resolution passed in the extra ordinary general meeting of the Shareholders held on December 24, 2014 and the name of our Company was changed to our present name 'CMS Info Systems Limited', pursuant to a fresh certificate of incorporation issued by the RoC on January 27, 2015.

Change in the registered office

Except as disclosed below, there has been no change in registered office of our Company since the date of incorporation:

Effective date	Details of change
October 15, 2008	The registered office of our Company was shifted from 14, Chandreshwar Hall Building, 2nd Floor, J.S.S Road, Opera House, Mumbai – 400 004 to CMS House, Plot No. 91, Street No. 7, Marol, MIDC, Mumbai – 400 093. Maharashtra.
September 20, 2017	The registered office of our Company was shifted from CMS House, Plot No. 91, Street No. 7, Marol, MIDC, Mumbai – 400 093 to Silver Metropolis, 11th Floor, Jay Coach Compound, Off. Western Express Highway, Goregaon (East), Mumbai – 400 063, Maharashtra
July 27, 2020	The registered office of our Company was shifted from Silver Metropolis, 11th Floor, Jay Coach Compound, Off. Western Express Highway, Goregaon (East), Mumbai – 400 063 to T-151, 5th Floor, Tower No. 10, Sector-11, Railway Station Complex, CBD Belapur, Navi Mumbai, Thane – 400614, Maharashtra

The aforesaid changes in our registered office were made for administrative convenience and operational efficiencies.

Changes in the name of the Company

Except as disclosed below, there have been no changes in the name of our Company since incorporation:

Effective date	Details of change	Reason for change
December 10, 2008	The name of our Company was changed from 'Subhiksha Realty Private Limited' to 'CMS Info Systems Private Limited'.	Aligning the name of our Company with the alteration in the main objects of our Company.
January 27, 2015	The name of our Company was changed from 'CMS Info Systems Private Limited' to 'CMS Info Systems Limited'.	Upon conversion of our Company from a private limited company to a public limited company.

Main objects of our Company

The main objects of our Company as contained in the Memorandum of Association are:

1. To carry on the business at any place in India and abroad as proprietors, agents, hirers, licensers, operators, dealers and representatives for providing services to individuals, firms, banks, financial institutions, bodies corporate, industrial concerns, factories, warehouses, shops and establishments, of cash management and allied services including but not limited to transportation, processing, bulk movement, storage and management of cash, bullion, and other high value products and documents like jewellery, precious metals, stones, negotiable and non-negotiable instruments, securities, stocks, bonds, etc. and provide branch management services and to provide vault management services by setting up, operating and offering storage centres, warehouses, vaults, chests, strong rooms, etc. for all type of goods, cash, automated teller machine ("ATM") kiosks and other cards, cassettes and valuables, documents and valuable products and providing vaults on rent and selling of vaults, to build and operate currency chests and to carry on the business in India and abroad of deploying and performing outsourced managed services in relation to third party ATM, cash recyclers, cash deposit machines, note sorting machines, operating white-label ATM(s)

owned by the Company and to carry on the business of ATM management, including but not limited to drop box clearance services, sale, purchase and supply of ATMs, cash movement, transport and replenishment services, first line and second line maintenance services for offsite and onsite ATM, ATM monitoring and housekeeping services along with consumables for ATMs and to carry on the business in India and abroad for providing services to individuals, firms, company, banks, financial institutions, bodies corporate and other commercial establishments of picking up, collecting, transporting and delivering cash/ cheques/ pin mailers/ demand drafts/ cheque books, bullion, high value metals, stones, valuable documents, all types of cards having a monetary value including debit and credit cards from various persons, providing services of counting, sorting and processing of currency notes and coins, providing network cash management services in respect to cash, bullion and other valuables and to carry on the business of providing facility management services by providing, inter alia, trained professionals, equipment, machinery and other necessary infrastructure to customers for services including but not limited to providing transaction processing, administration service management, utility payment services and support services in office and infrastructure setup. To carry on the business of developing technology involved in movement of cash and valuables, including design expertise, technological devices adaptation and integration in the vehicles, and integration of every tool/ device to enhance reliability and to purchase, sell, export, import, or otherwise deal in all kinds of equipment, infrastructure, tools, appliances, systems, devices, aids, literature and publications dealing with cash management and cash logistics.

2. To carry on the business at any place in India and elsewhere as manufacturers, importers, exporters, dealers, agents, representatives to provide for installation, supply, commissioning of hardware and software including system integration, to undertake installation, maintenance, servicing, hiring out of all kinds of computers, computer spare parts, all kinds of electronics equipment, all kinds of printers, card manufacturing and personalisation, hardware and software including electronic data processing equipment (together the "Hardware and Software") and to engage in computer hardware and software systems and such other activities connected with computers and electronic equipment, to engage in field engineering by providing, amongst other things, annual maintenance and facilities support services and to render advisory and consultancy services in respect of know-how, design, manufacture, installation, maintenance and servicing of all kinds of Computers. Computer spare parts, all kinds of Electronics equipments, all kinds of Printers, Card Manufacturing and Personalization hardware, software and all kinds of Electronic equipments including Electronic Data Processing equipment and other Hardware and Software.

3. To carry on the business at any place in India and elsewhere as proprietors, agents, hirers, licensers, operators, dealers, representatives for printing and personalization of cards and to provide software support for card personalization including personalization of financial cards and loyalty cards (operating VISA Master personalization centres), for national identification projects and software support for financial cards personalization or other government projects and transaction printing, to undertake trading of printing equipment (card and machinery) and to engage in research and development for card solution group, kiosk, to carry on business of software designing, developing, marketing, purchasing, selling, importing, exporting, franchising, E-commerce, M-commerce, retail payments, wholesale payments and electronic payment switching processing and authorization, prepaid card or debit card, or credit card issuance and management, Business correspondents and bill payment and collections and providing data analysis and information services to third parties.

4. To develop, import, export and deal in computer software and to set up in India and elsewhere, training institutes for schools and colleges or educational institutions or set up own computer training centres for the customers of the company and to undertake data processing and provide other related services and to establish and run data processing and computer training centres and to offer consultancy and data processing and other services that are normally offered by data processing and computer centres to individuals, business organisations and other types of consumers and to set up computer training institutes in India and elsewhere and provide training on electronic data processing, computer software and hardware to the students of all faculties including customer and others.

5. To carry on the business in India and abroad of providing Currency Management Services to all Banks such as nationalized, multi nationalized, foreign, scheduled, co-operative etc., Individuals, Commercial, Government Establishments and Undertakings, and retail and corporate entities and also Cash/ Cheques/ DD's Pickup and Delivery Services, Cash Processing such as sorting for good and soiled currencies, notes and coins of various denominations and development of intellectual property in the area of currency management. Intercity and Intra city Transportation of cash, gold, silver, diamond and other valuables via Roadways, Airways and Water transport. Handling of Pin mailers/ drafts/ cheque book delivery, providing

strong Room installed as per RBI guidelines and to carry on the business of providing Network Currency Management (Cash Burial & Cash Disposal) services to Banks and companies who have regulator such as Insurance Companies which are regulated by IRDA and Banks regulated by RBI through pooling of funds of customers from all India and issuing a centralized credit through single RTGS/Cheques (local or central) / EFTS to Customer accounts.

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out and proposed to be carried out by it.

Amendments to our Memorandum of Association

Set out below are the amendments to our MoA in the last 10 years:

Date of change/Shareholders' resolution	Nature of amendment
November 18, 2011	The capital clause of the Memorandum of Association was substituted to reflect the increase in the authorized capital of our Company from ₹1,330,000,000 comprising of ₹1,180,000,000 divided into 118,000,000 Equity Shares and ₹150,000,000 divided into 1,500,000 OCCPS to ₹1,630,000,000 comprising of ₹1,480,000,000 divided into 148,000,000 Equity Shares and ₹150,000,000 divided into 1,500,000 OCCPS.
November 26, 2012	The main object, clause III A of the Memorandum of Association was altered to delete the existing sub-clause no. 1(i) to substitute it with: *To carry on the business at any place in India and abroad as proprietors, agents, hirers, licensers, operators, dealers and representatives for providing services to individuals, firms, banks, financial institutions, bodies corporate, industrial concerns, factories, warehouses, shops and establishments, of cash management and allied services including but not limited to transportation, processing, bulk movement, storage and management of cash, bullion, and other high value products and documents like jewellery, precious metals, stones, negotiable and non-negotiable instruments, securities, stocks, bonds, etc. and to provide vault management services by setting up, operating and offering storage centres, warehouses, vaults, chests, strong rooms, etc. for all type of goods, cash, automated teller machine ("ATM") kiosks and other cards, cassettes and valuables, documents and valuable products and providing vaults on rent and selling of vaults, to build and operate currency chests and to carry on the business of ATM management, including but not limited to drop box clearance services, sale, purchase and supply of ATMs, cash movement, transport and replenishment services, first line and second line maintenance services for offsite and onsite ATM, ATM monitoring and housekeeping services along with consumables for ATMs. To carry on the business in India and abroad for providing services to individuals, firms, company, banks, financial institutions, bodies corporate and other commercial establishments of picking up, collecting, transporting and delivering cash/ cheques/ pin mailers/ demand drafts/ cheque books, bullion, high value metals, stones, valuable documents, all types of cards having a monetary value including debit and credit cards from various persons, providing services of counting, sorting and processing of currency notes and coins, providing network cash management services in respect to cash, bullion and other valuables and to carry on the business of providing facility management services by providing, inter alia, trained professionals, equipment, machinery and other necessary infrastructure to customers for services including but not limited to providing transaction processing, administration service management, utility payment services and support services in office and infrastructure setup. To carry on the business of developing technology involved in movement of cash and valuables, including design expertise, technological devices adaptation and integration in the vehicles, and integration of every tool/ device to enhance reliability and to purchase, sell, export, import, or otherwise deal in all kinds of equipment, infrastructure, tools, appliances, systems, devices, aids, literature and publications dealing with cash management and cash logistics.*
	The existing sub-clause no. 94 under the other objects Clause III C of our Memorandum of Association was deleted and existing sub-clause no. 95 was replaced and renumbered as sub-clause no. 94. *94. To carry on the business and act as a Proprietors, agents, hirers, licensers, operators, dealers, traders of all kinds of safety and security equipment and machines Automated Teller Machines, sorting and counting machines and to render advisory, training and consultancy services in respect of know-how, designing, installation, development maintenance and servicing of safety and security equipment Automated Teller Machines, sorting and counting machines and other equipment for cash management and cash logistics.*

Date of change/Shareholders' resolution	Nature of amendment
	The Other Object Clause under Clause III(C) of the Memorandum of Association of the Company be and is hereby altered by deletion of words "*Security Services by providing Security Guard, Caretakers at ATM sites, etc*." in existing sub clause no. 98 and be renumbered as clause no. 97. The existing sub-clauses nos.105, 106 and 107 under the other objects Clause III C of our Memorandum of Association, were deleted; sub clauses nos. 95 to 104 were renumbered as sub-clauses nos. 94-103; and sub clauses nos. 108 to 1116 were renumbered as sub-clauses nos. 104-112.
October 10, 2014	In accordance with the provision of Companies Act, 2013, our Company altered the Headings of MOA of the company to "The Companies Act, 2013", the existing objects clause III of the Memorandum of Association to divide it into two parts, namely (i) clause III (A) - the main objects of the Company to be pursued by the company on its incorporation; and (ii) clause III (B) - matters which are necessary for furtherance of the objects specified in clause III(A). Clause III (C)- Other Objects of the Memorandum of Association has been deleted.
	The existing clause IV Liability Clause of the Memorandum of Association was altered and replaced by the following new clause and be numbered as Clause IV: "*The liability of the members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them*."
	The existing capital clause V(a) of the Memorandum of Association was altered and replaced with a new clause and numbered as clause V of the Memorandum of Association. V. The share capital of the company is ₹163,00,00,000/- (Rupees one hundred and sixty-three crores) only divided in to 14,80,00,000 (fourteen crores eighty lakhs) equity shares of ₹10 (ten) each and 15,00,000 (fifteen lakhs) 0.01% Optionally convertible cumulative redeemable preference shares of ₹100/- (Rupees one hundred) each.
December 24, 2014	The name clause of our Memorandum of Association was amended upon conversion of our Company from a private limited company to a public limited company and the consequent change in name of our Company from 'CMS Info Systems Private Limited' to 'CMS Info Systems Limited'. A fresh certificate of incorporation pursuant to the change of name was granted by the RoC on January 27, 2015.
August 19, 2017	The capital clause of the Memorandum of Association was substituted to reflect the increase in the authorised share capital of our Company from ₹1,630,000,000 comprising of ₹1,480,000,000 divided into 148,000,000 Equity Shares and ₹1,50,000,000 divided into 15,00,000 OCCPS to ₹1,880,000,000 comprising of ₹1,730,000,000 divided into 173,000,000 Equity Shares and ₹15,00,00,000 divided into 15,00,000 OCCPS.
March 3, 2020	The main object, clause III A of the Memorandum of Association was altered to delete the existing sub-clause no. 1(i) to substitute it with: *To carry on the business at any place in India and abroad as proprietors, agents, hirers, licensers, operators, dealers and representatives for providing services to individuals, firms, banks, financial institutions, bodies corporate, industrial concerns, factories, warehouses, shops and establishments, of cash management and allied services including but not limited to transportation, processing, bulk movement, storage and management of cash, bullion, and other high value products and documents like jewellery, precious metals, stones, negotiable and non-negotiable instruments, securities, stocks, bonds, etc. and provide branch management services and to provide vault management services by setting up, operating and offering storage centres, warehouses, vaults, chests, strong rooms, etc. for all type of goods, cash, automated teller machine ("ATM") kiosks and other cards, cassettes and valuables, documents and valuable products and providing vaults on rent and selling of vaults, to build and operate currency chests and to carry on the business in India and abroad of deploying and performing outsourced managed services in relation to third party ATM, cash recyclers, cash deposit machines, note sorting machines, operating white-label ATM(s) owned by the Company and to carry on the business of ATM management, including but not limited to drop box clearance services, sale, purchase and supply of ATMs, cash movement, transport and replenishment services, first line and second line maintenance services for offsite and onsite ATM, ATM monitoring and housekeeping services along with consumables for ATMs and to carry on the business in India and abroad for providing services to individuals, firms, company, banks, financial institutions, bodies corporate and other commercial establishments of picking up, collecting, transporting and delivering cash/ cheques/ pin mailers/ demand drafts/ cheque books, bullion, high value metals, stones, valuable documents, all types of cards having a monetary value including debit*

Date of change/Shareholders' resolution	Nature of amendment
	and credit cards from various persons, providing services of counting, sorting and processing of currency notes and coins, providing network cash management services in respect to cash, bullion and other valuables and to carry on the business of providing facility management services by providing, inter alia, trained professionals, equipment, machinery and other necessary infrastructure to customers for services including but not limited to providing transaction processing, administration service management, utility payment services and support services in office and infrastructure setup. To carry on the business of developing technology involved in movement of cash and valuables, including design expertise, technological devices adaptation and integration in the vehicles, and integration of every tool/ device to enhance reliability and to purchase, sell, export, import, or otherwise deal in all kinds of equipment, infrastructure, tools, appliances, systems, devices, aids, literature and publications dealing with cash management and cash logistics.
	The main object, clause III A of the Memorandum of Association was altered to delete the existing sub-clause no. 1(iii) to substitute it with: *To carry on the business at any place in India and elsewhere as proprietors, agents, hirers, licensers, operators, dealers, representatives for printing and personalization of cards and to provide software support for card personalization including personalization of financial cards and loyalty cards (operating VISA Master personalization centres), for national identification projects and software support for financial cards personalization or other government projects and transaction printing, to undertake trading of printing equipment (card and machinery) and to engage in research and development for card solution group, kiosk, to carry on business of software designing, developing, marketing, purchasing, selling, importing, exporting, franchising, E-commerce, M-commerce, retail payments, wholesale payments and electronic payment switching processing and authorization, prepaid card or debit card, or credit card issuance and management, Business correspondents and bill payment and collections and providing data analysis and information services to third parties.*

Awards, accreditations and recognitions received by our Company

The table below sets forth some of the awards and accreditations received by our Company:

Calendar Year	Awards, accreditations and recognitions
2020	ISO 9001:2015 accreditation for implementation and maintenance of a quality management system by DQS Inc
	ISO / IEC 27001:2013 accreditation for implementation and maintenance of an information security management system by DQS Inc
2021	ISO 30409:2016 accreditation for the human resource management system by ROHS Certification Private Limited.
	Certificate of compliance for successful assessment of payment card industry data security standard version 3.2.1 by SecurWires Technologies and Services LLP
	Best in Future of Trust award at IDC Future Enterprise Awards 2021, India

Major events and milestones of our Company

The table below sets forth some of the major events in the history of our Company:

Calendar Year	Particulars
2008	Incorporation of our Company as a private limited company, with the name of 'Subhiksha Realty Private Limited'.
2009	The IT infrastructure management division of CMS Computers Limited was demerged and transferred to our Company, pursuant to a scheme of arrangement approved vide an order of the High Court of Bombay dated April 24, 2009.
2009	Pursuant to a share subscription and shareholders agreement dated November 26, 2008, amongst CMS Computers Limited, Blackstone FP Capital Partners (Mauritius) V Limited, Ramesh Grover and certain other individuals/entities, our Company allotted two Equity shares for every three equity or preference shares of CMS Computers Limited as consideration of the demerger which resulted in Blackstone FP Capital Partners (Mauritius) V Limited acquiring 56.67% shareholding of our Company.

Calendar Year	Particulars
2011	The ATM and cash management division of CMS Securitas Limited was demerged and transferred to our Company; pursuant to a scheme of arrangement approved vide orders of the High Court of Bombay and High Court of Delhi dated October 25, 2010 and January 17, 2011, respectively.
2011	Our Company acquired SIPL, through purchase of its entire shareholding pursuant to a share purchase agreement dated May 23, 2011 amongst SIPL, Anuj Puri, Anil Puri and our Company.
2013	Our Company won a large order for ATM deployment in India from SBI, to deploy more than 7,850 ATMs.
2015	The IT and print division of our Company was demerged and transferred to CMS IT Services Private Limited, pursuant to a scheme of arrangement approved vide an order of the High Court of Bombay dated January 23, 2015.
	Our Company was converted from a private limited company into a public limited company and consequently the name of our Company was changed to its present name 'CMS Info Systems Limited', pursuant to a fresh certificate of incorporation granted by the RoC on January 27, 2015.
	Sion Investment Holdings Pte. Limited, an affiliate of Baring Private Equity Asia, acquired the entire shareholding of our Company pursuant to a share purchase agreement with Blackstone FP Capital Partners (Mauritius) V Limited and other individuals/entities dated February 16, 2015, amended vide an amendment agreement dated August 19, 2015, an amendment and waiver agreement dated August 20, 2015 and a settlement agreement dated December 18, 2017.
2017	Our Company acquired the business, assets and liabilities of Clover Transaction Systems Private Limited as a going concern, on an 'as is where is' basis and on slump sale basis, pursuant to a business transfer agreement.
2018	Our Company acquired the business undertaking, assets and liabilities of door-step banking business vertical of banking division of Checkmate Services Private Limited a going concern and on a slump sale basis, pursuant to a business transfer agreement.
2020	Our Company acquired 5,340 identified ATMs from Logicash Solutions Private Limited
	Our Company entered into a service level agreement with State Bank of India to install 3,000 ATMs.
2021	Our Company won an order for remote monitoring of 9,520 ATMs from State Bank of India.
	Our Company entered into a share purchase agreement with Hemabh Solutions, Hemalsinh Gohil, Abhijeet Lamture and Hemabh Solutions Private Limited

Our holding company

Sion Investment Holdings Pte. Limited, the Promoter of our Company, is our holding company as on the date of this Prospectus. For further details see "*Our Promoter and Promoter Group*" on page 208.

Our Subsidiaries

As of the date of this Prospectus, our Subsidiaries are (i) Securitrans India Private Limited, (ii) CMS Securitas Limited, (iii) CMS Marshall Limited and (iv) Quality Logistics Services Private Limited.

The details of our Subsidiaries are as follows:

1. **Securitrans India Private Limited** ("**SIPL**")

Corporate information

SIPL was incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated July 16, 1998 granted by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Its CIN is U74999DL1998PTC095012 and its registered office is situated at B 2, Naraina Community Centre, C Block, Naraina Vihar, New Delhi – 110 028, India.

SIPL is currently engaged in the business of providing cash management services such as ATM replenishment, ATM first line maintenance, cash delivery and pick up, bullion movement, dedicated cash vans to banks and managed services.

Capital structure and shareholding

The authorised share capital of SIPL is ₹20,000,000 divided into 200,000 equity shares of ₹100 each. The issued, subscribed and paid-up capital of SIPL is ₹13,250,000 divided into 1,32,500 equity shares of ₹100 each.

Our Company holds 1,32,500 equity shares of ₹100 each of SIPL (including one equity share held by Vijay Iyer, as a registered owner of such equity shares for which the beneficial ownership has been declared in favour of our Company), which is 100% of its total issued, subscribed and paid up capital.

2. CMS Securitas Limited ("**CMS Securitas**")

Corporate information

CMS Securitas was incorporated as a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated January 27, 1999 granted by the Registrar of Companies, National Capital Territory of Delhi and Haryana and received its certificate for commencement of business on March 1, 1999. Its CIN is U67190DL1999PLC098107 and its registered office is situated at J-3, Block B 1, Mohan Cooperative Industrial Estate, South Delhi, New Delhi – 110 044, India.

CMS Securitas is currently engaged in the business of providing facility management services which includes providing of trained manpower, cashier, back office staff, custodian, drivers and other allied services.

Capital structure and shareholding

The authorised share capital of CMS Securitas is ₹10,000,000 divided into 1,000,000 equity shares of ₹10 each. The issued, subscribed, and paid-up capital of CMS Securitas is ₹9,500,000 divided into 950,000 equity shares of ₹10 each.

Our Company holds 950,000 equity shares of ₹10 each in CMS Securitas (including 60 equity shares each of which 10 equity shares are held by six registered owners namely, Vijay Iyer, Viral Somani, Anush Raghavan, Manjunath Rao Pare Parmeshwar, Dinesh Salian and Hemant Chopra, of equity shares for which the beneficial ownership has been declared in the favour of our Company), which is 100% of its total issued, subscribed and paid-up capital.

3. Quality Logistics Services Private Limited ("**Quality Logistics**")

Corporate information

Quality Logistics was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated July 29, 2015 granted by the RoC. Its CIN is U60231MH2015PTC266933 and its registered office is situated at Unit No. 201 & 202, 2nd Floor, Eco Star, Vishveshwar Nagar, Off. Aarey Road, Churi Wadi, Goregaon (East), Mumbai, Maharashtra -400 063.

Quality Logistics is currently not engaged in any business operations.

Capital structure and shareholding

The authorised, issued, subscribed and paid-up capital share capital of Quality Logistics is ₹100,000 divided into 10,000 equity shares of ₹10 each.

Our Company holds 10,000 equity shares of ₹10 each of Quality Logistics (including one equity share held by Pankaj Khandelwal, our President and Chief Financial Officer, as a registered owner of such equity share for which the beneficial ownership has been declared in the favour of our Company), which is 100% of its total issued, subscribed and paid-up capital.

4. CMS Marshall Limited ("**CMS Marshall**")

Corporate information

CMS Marshall is an indirect subsidiary of our Company. It was incorporated as a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated January 13, 2006 granted by the RoC and received its certificate for commencement of business on March 9, 2006. Its CIN is

U46711MH2006PLC158878 and its registered office is situated at Unit No. 201 & 202, 2nd Floor, Eco Star, Vishveshwar Nagar, Off. Aarey Road, Churi Wadi, Goregaon (East), Mumbai, Maharashtra - 400 063.

CMS Marshall is currently engaged in the business of providing manpower services such as back office staff, custodian, drivers, cashier and other allied services.

Capital structure and shareholding

The authorised, issued, subscribed and paid-up capital share capital of CMS Marshall is ₹500,000 divided into 50,000 equity shares of ₹10 each.

Our wholly owned subsidiary, CMS Securitas, holds 50,000 equity shares of ₹10 each in CMS Marshall, (including 60 equity shares of which 10 equity shares each are held by six registered owners, Vijay Iyer, Viral Somani, Anush Raghavan, Manjunath Rao Pare Parmeshwar, Dinesh Salian and Hemant Chopra, who have declared the beneficial ownership in favour of CMS Securitas) which is 100% of CMS Marshall's total issued, subscribed and paid-up capital.

CMS Securitas Employee Welfare Trust, an entity controlled by our Company has been consolidated while preparing the consolidated financial statements under Ind AS for the Fiscal ended March 31, 2021, 2020 and 2019. However, CMS Securitas Employee Welfare Trust is not our "subsidiary", as defined under Section 2(87) of the Companies Act, 2013.

Accumulated profits or losses of Subsidiaries

As on the date of this Prospectus, there are no accumulated profits or losses of any of our Subsidiaries that have not been accounted for by our Company.

Joint Venture

As of the date of this Prospectus, our Company has no joint ventures.

Associate

As of the date of this Prospectus, our Company has no associate company.

Common Pursuits

There are common pursuits between our Company and our Subsidiaries. For details, see "*Our Business*" and "*Risk Factors*" on pages 146 and 25. While there is no conflict of interest at present, we shall adopt necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise. For further details of related business transactions and their significance on the financial performance of our Company, see "*Financial Statements*" on page 213.

Launch of key products or services, entry into new geographies or exit from existing markets

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, see "*Our Business*" on pages 165 and 167 respectively.

Strike and lock-outs

Except as disclosed in "*Risk Factors - 23. Our relationships with our workforce and the trade unions, as well as changes in the laws and regulations that regulate those relationships, could adversely affect our business, results of operations and financial condition*" on page 43, our Company has not experienced any strikes, lock-outs, or labour unrest in the past.

Time/cost overrun

There have been no time/cost overruns in setting up projects since incorporation.

Defaults or rescheduling of borrowings and conversions of loans into equity

1. Our Company has not defaulted on repayment of any loan availed from any banks or financial institutions;

2. The tenure of repayment of any loan availed by our Company from banks or financial institutions has not been rescheduled; and

3. No loan availed by our Company has been converted into Equity Shares.

Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, in the last 10 years

Details of acquisitions by our Company

For details of acquisitions by our Company, see "*Our Business – Our Strategies - Grow through selective value accretive strategic acquisitions*" on page 153.

Business transfer agreement dated August 2, 2016, between our Company and Clover Transactions Systems Private Limited ("Clover") and thereafter amended including Sienna Systems Resources Private Limited ("Sienna"), as a party to this agreement pursuant to amendment agreements dated September 15, 2016, November 22, 2016 and January 17, 2017 ("Clover Business Transfer Agreement").

Our Company entered into a business transfer agreement dated August 2, 2016 with Clover for the acquisition of the business, assets and liabilities of Clover, as a going concern on an 'as is where is' basis and on a slump sale basis. Subsequently, the agreement was amended on September 15, 2016 to include Sienna, the holding company of Clover, as a party to the business transfer agreement and to extend the long stop date. The agreement was further amended on November 22, 2016 and January 17, 2017, for amongst other things, extension of long stop date and amendment to the consideration. The total purchase consideration, as per the terms of the Clover Business Transfer Agreement, was ₹ 65.50 million. Further, the objective of the acquisition was to enter and build capabilities in the brown label ATM segment. The Company has successfully been able to participate and win tenders from banks for operating brown label ATMs, including the 3,000 brown label ATM contract won from the State Bank of India.

Business transfer agreement dated April 4, 2018, between our Company and Checkmate Services Private Limited ("Checkmate") and thereafter amended pursuant to amendment agreements dated July 30, 2018, August 29, 2018, October 1, 2018 and November 1, 2018 ("Checkmate Business Transfer Agreement").

Our Company entered into a business transfer agreement dated April 4, 2018 with Checkmate for the acquisition of the business, assets and liabilities of the 'Door Step Banking' business vertical of Checkmate, as a going concern and on a slump sale basis. Subsequently, the agreement was amended on July 30, 2018 to extend the long stop date. The agreement was further amended on August 29, 2018 and October 1, 2018 to release payment of partial consideration to Checkmate. The agreement was further amended on November 1, 2018 to include an increase in the purchase consideration. The total purchase consideration, as per the terms of the Checkmate Business Transfer Agreement, was ₹ 361 million. Further, the objective of the Checkmate Business Transfer Agreement was to acquire business points in the retail cash management segment. Our Company was able to take up the number of retail cash management points to 41,836 by March 31, 2019. Our Company was successfully able to integrate these points into its operations and gain business synergies.

Transfer of 5,340 ATMs from Logicash to our Company pursuant to a release letter dated July 11, 2020 ("Release Letter").

Our Company and Logicash had entered into an agreement pursuant to which 5,340 identified ATMs were transferred to our Company, pursuant to acquisition of certain businesses of Logicash by our Company. To this effect, the parties executed the Release Letter wherein: (i) our Company was obligated to pay a one-off settlement amount of ₹ 112.41 million to Logicash for the transfer of 5,340 identified ATMs to our Company; and (ii) the lapse of agreements for the acquisition of other businesses was confirmed. Further, the objective of the Release Letter was to acquire 5,340 ATM points in the ATM cash management space. Our Company was able to take up the number of total ATMs serviced to 62,919 by March 31, 2021. The Company was successfully able to integrate these points into its operations and gain business synergies.

Share purchase agreement dated July 21, 2021, between our Company, Hemabh Solutions (the "Firm"), Hemalsinh Gohil ("Seller 1"), Abhijeet Lamture ("Seller 2" and collectively with Seller 1, the "Sellers") and Hemabh Solutions Private Limited ("HSPL") and thereafter amended pursuant to addendums dated July 30, 2021 and September 21, 2021 ("SPA").

Our Company, the Firm, the Sellers and HSPL had entered into a term sheet dated January 1, 2021 pursuant to which the Sellers are desirous of forming a company by converting the Firm into a private limited company ("**New Company**") such that all the rights and liabilities of the Firm shall accrue on the New Company. Thereafter, the Sellers shall be the absolute legal and beneficial owners of the entire issued and paid-up equity share capital of the New Company. Our Company, the Firm, the Sellers and HSPL entered into the share purchase agreement dated July 21, 2021 for the transfer of the entire issued and paid-up equity share capital of the New Company by the Sellers to our Company, once it is incorporated. The agreement governs the terms and conditions of the transfer of shares of the New Company to our Company. The agreement was amended by first addendum dated July 30, 2021 to modify the terms related to advance payment and closing payment. It was further amended on September 21, 2021 and October 31, 2021 to extend the long stop date, before which the conditions precedent are to be fulfilled by the Sellers, from August 31, 2021 to October 31, 2021 and subsequently from October 31, 2021 to January 15, 2022 respectively. As per the terms of the SPA, the New Company will be made a party to the SPA pursuant to its incorporation by a deed of confirmation. The total purchase consideration, as per the terms of the SPA, was ₹ 210 million. Further, the objective of the SPA was to enhance capabilities of our Company in the remote monitoring space. In addition to our internal capabilities, we have been able to win two large contracts in the remote monitoring space in 2021.

Details of schemes involving our Company

Scheme of arrangement between CMS IT Services Private Limited ('CMS IT') and our Company and their respective shareholders and creditors ("Scheme")

With effect from April 1, 2015, the IT and print division of our Company, was demerged and transferred to CMS IT pursuant to the Scheme. The rationale of the Scheme was that restructuring would enable the two distinct businesses of our Company and CMS IT to unlock the value of both businesses for the benefit of all stakeholders. Further, the respective management teams of our Company and CMS IT would be able to focus better on the optimal use of resources and chart out a long-term growth plan. The Bombay High Court, vide its order dated January 23, 2015 approved the Scheme and the demerger was effectuated. Salient features of the Scheme are set forth below:

1. The IT and print division of our Company, in its entirety, was transferred to and vested with CMS IT as a going concern.

2. All the staff, workmen and employees of the IT and print division of our Company, became staff, workmen and employees of CMS IT, on similar terms and conditions as with our Company, without any interruption in service.

3. As consideration for the transfer of the IT and print division of our Company, pursuant to the Scheme, members of our Company, were allotted 10 fully paid-up equity shares of CMS IT of ₹10 each for every 140 Equity Shares held by them. Further, members of our Company were allotted ten fully paid up 0.01% optionally convertible cumulative redeemable preference shares of CMS IT of ₹100 each for every 140 OCCPS held by them.

4. The difference between the net assets would first be debited to the securities premium account, and any excess would be debited to the general reserve account of our Company. If negative, it would be credited to the capital reserve account of our Company.

Shareholders' agreements and other agreements

Key terms of subsisting shareholders' agreements

As on the date of this Prospectus, there are no subsisting shareholder's agreements to which our Company is a party to. Further to the extent that our Company is aware there are no subsisting shareholder's agreements which have been entered *inter se* our Shareholders, as on the date of this Prospectus.

Key terms of other subsisting material agreements

Our Company has not entered into any material agreements in the last two years from the date of this Prospectus, which are not in the ordinary course of its business.

Further, there are no inter- se agreements/ arrangements entered into by the Promoter with respect to the Company and clauses / covenants contained therein which are material and which needs to be disclosed in this Prospectus and there are no clauses / covenants which are adverse / pre-judicial to the interest of the minority / public shareholders of the Company. Further there are no agreements, deed of assignments, acquisition agreements, shareholders, inter-se agreements, agreements of like nature entered into by the Promoter with respect to the Company, which are adverse / prejudicial to the interest of the minority / public shareholders of the Company.

Agreements with Key Management Person nel, Directors, Promoter or any other employee

As on the date of this Prospectus, there are no agreements entered into by a Key Management Personnel or Director or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Special Rights

Our Promoter has the right to nominate two Directors on the Board of our Company and the directors nominated by our Promoter shall be non-executive directors who may or may not be required to retire by rotation as per applicable provisions, till such time our Promoter is a Shareholder. Our Promoter shall have the power, by serving a notice in writing upon the Company, to withdraw or replace such nominee directors. The aforesaid right shall be subject to the approval, in the first general meeting of the Shareholders, convened after listing and trading of the Equity Shares of the Company pursuant to this IPO by way of a special resolution.

None of the special rights available to the Promoter (except for the nominee/nomination rights) would survive post listing of the Equity Shares of the Company and same shall automatically terminate and cease to have any force and effect from the date of listing of equity shares of our Company on recognized stock exchange(s) in India pursuant to an initial public offer, without requiring any further action.

Significant Financial and Strategic Partners

Our Company does not have any significant financial and strategic partners as of the date of filing this Prospectus.

Guarantees given by our Promoter Selling Shareholder

Our Promoter has not given any guarantees on behalf of our Company to third parties.

OUR MANAGEMENT

Board of Directors

The Articles of Association require that our Board of Directors shall comprise not less than three Directors and not more than 15 Directors.

As on the date of filing this Prospectus, we have six Directors on our Board, of which five are Non-Executive Directors including two Independent Directors. Additionally, out of the two Independent Directors, one is a woman Director. The Chairperson of our Board of Directors is an Independent Director.

The following table sets forth the details of our Board as of the date of filing of this Prospectus:

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Shyamala Gopinath *Designation:* Chairperson and Independent Director *Date of birth:* June 20, 1949 *Address:* Flat No. 1103, B Wing, Girnar Heights, Bhakti Park, Wadala (E), Mumbai - 400 037, Maharashtra, India *Occupation:* Service *Current term:* With effect from November 13, 2019, up till December 31, 2021, not liable to retire by rotation *Period of directorship*: Since November 13, 2017 *DIN:* 02362921	72	*Domestic companies:* 1. BASF India Limited; 2. Colgate-Palmolive (India) Limited; 3. CRISIL Limited; 4. CRISIL Ratings Limited; 5. Grassroot Trading Network for Women; 6. Tata Elxsi Limited; and 7. Vastu Housing Finance Corporation Limited. *Foreign companies:* Nil
Rajiv Kaul *Designation:* Executive Vice Chairman, Whole Time Director and CEO *Date of birth:* July 29, 1968 *Address:* 802, Signia Isles, G block, BKC, Bandra East, Mumbai – 400 051. Maharashtra, India *Occupation:* Service *Current term:* With effect from October 16, 2020 up till March 31, 2023, not liable to retire by rotation[#] *Period of directorship*: Since July 1, 2009 *DIN:* 02581313	53	*Domestic companies:* 1. Artfirst Enterprises Private Limited; and 2. Artfirst Publications Private Limited. *Foreign companies:* Nil
Jimmy Lachmandas Mahtani[*] *Designation:* Non-Executive Director *Date of birth:* October 27, 1976 *Address:* 1 Chatsworth Road, No. 20-23, Singapore – 249 745	45	*Domestic companies:* 1. Citiustech Healthcare Technology Private Limited; and 2. RSP Design Consultants (India) Private Limited. *Foreign companies:*

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Occupation: Service *Current term:* Liable to retire by rotation *Period of directorship*: Since August 27, 2015 *DIN:* 00996110		1. Austin SuperHoldco, Inc.; 2. Fort Topco, Inc.; 3. Global Content Alpha Partners Holdco Pte. Limited; and 4. Sion Investment Holdings Pte. Limited.
Ashish Agrawal* *Designation:* Non-Executive Director *Date of birth:* March 22, 1973 *Address:* D-3403, Ashok Towers, Dr. Babasaheb Ambedkar Road, Opp. Bharat Mata Cinema, Parel, Mumbai – 400 012, Maharashtra, India *Occupation:* Service *Current term:* Liable to retire by rotation *Period of directorship*: Since August 27, 2015 *DIN:* 00163344	48	*Domestic companies:* Nil *Foreign companies:* Nil
Tapan Ray *Designation:* Independent Director *Date of birth:* September 9, 1957 *Address:* Bungalow no. K-518, Sector 20, Gandhinagar – 382 021, Gujarat, India *Occupation:* Retired IAS Officer *Current Term:* For a period of one year, with effect from April 9, 2021 up till April 8, 2022, not liable to retire by rotation *Period of directorship*: Since April 9, 2021 *DIN:* 00728682	64	*Domestic companies:* 1. GIFT Power Company Limited; 2. GIFT SEZ Limited; 3. GSPC LNG Limited; 4. Gujarat Alkalies and Chemicals Limited; 5. Gujarat International Finance Tec-City Company Limited; 6. Gujarat State Fertilizers & Chemicals Limited; and 7. GVFL Limited. *Foreign companies:* Nil
Krzysztof Wieslaw Jamroz *Designation:* Non-Executive Director *Date of birth*: August 17, 1974 *Address:* 1005, Bucida Road, Delray Beach, Florida - 33483 0000, United States of America *Occupation:* Service *Current Term:* Liable to retire by rotation *Period of directorship:* Since August 10, 2021 *DIN:* 07462321	47	*Domestic companies:* Nil *Foreign companies:* 1. Ascent Global Logistics; and 2. Roadrunner Transportation Systems (RRTS).

* *Nominated to our Board by our Promoter.*
\# *His tenure as Executive Vice Chairman will be till September 15, 2022.*

Brief profiles of our Directors

Shyamala Gopinath is the Chairperson of the Company and an Independent Director of our Company. She has been associated with our Company since November 13, 2017. She holds a master's degree in commerce from the University of Mysore. She is a certified associate member of the Indian Institute of Bankers and an honorary fellow of the Indian Institute of Banking and Finance. In the past, she has served as the Deputy Governor of the RBI, chairperson of the advisory board on Bank, Commercial and Financial Frauds and part-time non-executive director of HDFC Bank Limited. Currently, she is a director on the board of several companies including Colgate Palmolive (India) Limited, CRISIL Limited, CRISIL Ratings Limited and Grassroot Trading Network for Women. She is associated with Indian Institute of Management, Raipur as the chairperson of the board of governors, Research and Information System for Developing Countries as a member and Sanitation and Advisory Council of India Sanitation Coalition as a member of finance.

Rajiv Kaul is the Executive Vice Chairman, Whole Time Director and CEO of our Company. He has been associated with our Company since July 1, 2009. He is currently heading the Company and is responsible for the overall management of our Company. He holds a bachelor's degree in engineering specialising in computer science from Birla Institute of Technology, Mesra and a post-graduate diploma in business management specialising in marketing and finance, from XLRI - Xavier School of Management, Jamshedpur. He has over 24 years of experience across technology, private equity and cash management industry. 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 general manager and managing director, India from where he moved to Redmond, USA as senior director of emerging markets including BRIC. He was formerly a member of RBI's Committee on Currency Movement, which was constituted post demonetisation to review movement of fresh currency. In the past, he has been associated with National Association of Software and Service Companies as an elected member to the executive council and was also a member of the national council of CII from 2003 to 2005. He is also a member of the general council of Birla Institute of Technology, Mesra.

Jimmy Lachmandas Mahtani is a Non-Executive Director of our Company. He has been associated with our Company since August 27, 2015. He holds a bachelor's degree in science in business administration, triple major in finance, marketing and international business from Georgetown University. He has over 21 years of experience in private equity and investment banking. He has been associated with Baring Private Equity Asia (BPEA) since 2006 and currently serves as a managing director of private equity investment team in India. Prior to BPEA, he was associated with General Atlantic Partners (Mumbai) in the capacity of a vice president.

Ashish Agrawal is a Non-Executive Director of our Company. He has been associated with our Company since August 27, 2015. He holds a bachelor's degree in engineering, with specialisation in electronics from SGS Institute of Technology & Science, Indore and a post-graduate diploma in management from Indian Institute of Management, Ahmedabad. He is also a qualified Chartered Financial Analyst (CFA) from the CFA Institute, USA. He has over 24 years of experience in private equity and investment banking. He currently serves as the managing director of Baring Private Equity Asia, Mumbai. Prior to that, he was associated with Lehman Brothers in Mumbai as a senior vice president and with Bank of America in Chicago as a vice president.

Tapan Ray is an Independent Director of our Company. He has been associated with our Company since April 9, 2021. He holds a bachelor's degree in engineering with specialisation in mechanical engineering from Indian Institute of Technology, Delhi, bachelor's degree in law from Maharaja Sayajirao University of Baroda, master's degree in public policy from the Woodrow Wilson School, Princeton University, USA, master's degree in public administration from Maxwell School, Syracuse University, USA, diploma in international law and diplomacy and post graduate diploma in international trade and business law from Indian Academy of International Law and Diplomacy, Indian Society of International Law, post graduate diploma in international business operations from Indira Gandhi National Open University and an executive master's in foreign trade from Indian Institute of Foreign Trade, New Delhi. He is a retired Indian administrative officer wherein he served as the secretary to the ministry of corporate affairs, government of India. Currently, he serves as the managing director and group chief executive officer of GIFT City, Gandhinagar, Gujarat. He is a member of the alpha sigma chapter of Phi Beta Delta, Honor Society for International Scholars since March, 2006.

Krzysztof Wieslaw Jamroz is a Non-Executive Director of our Company. He has been associated with our Company since August 10, 2021. He was previously associated with our Company as an Independent Director from March 11, 2016 and as the chairman of the Board from August 19, 2017 till the cessation of his term on

December 31, 2019. He holds a bachelor's degree in business studies from Birmingham City University and a master's degree in business administration from Schulich School of Business, York University, Canada. He has over 19 years of experience in logistics, cash management and investment banking. He presently serves as an executive chairman of the Board of Roadrunner Transportation Systems (RRTS) and executive chairman of Ascent Global Logistics. Previously, he was associated with GardaWorld Corporation as its cash services president and chief operating officer and as head of JP Morgan's corporate finance practice in Canada. He serves as the governor of the Royal Ontario Museum ('ROM') and has received the ROM Donor of Merit Award. He is also the chief executive officer of the Polish Chamber of Commerce in the United States of America.

Relationship between our Directors

None of our Directors are related to one another.

Confirmations

None of our Directors is or was a director of any company listed on the Stock Exchanges, whose shares are or were suspended from being traded during the last five years prior to the date of this Prospectus, during the term of his/her directorship in such company.

Except as disclosed below, none of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

Particulars	Details
Name of the director	Jimmy Lachmandas Mahtani
Name of the company	Hexaware Technologies Limited
Name of the stock exchange(s) on which the company was listed	BSE and NSE
Date of delisting on the stock exchanges	November 9, 2020
Compulsory or voluntary delisting	voluntary
Reasons for delisting	voluntary delisting offer
If relisted, date of relisting	N/a
Term (along with relevant dates) of the director in the above company	December 13, 2013 to November 10, 2021

Arrangement or understanding with major Shareholders, customers, suppliers or others

Except for our Non-Executive Directors, Ashish Agrawal and Jimmy Lachmandas Mahtani, each nominated by our Promoter, pursuant to the terms of our Articles of Association, none of our Directors have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Service contracts with Directors

Except as disclosed below, our Company has not entered into service contracts with our Directors pursuant to which they are entitled to any benefits upon termination of directorship or retirement.

1. **Restated and amended employment agreement dated October 14, 2020**

   Our Company has entered into a restated and amended employment agreement dated October 14, 2020 with Rajiv Kaul, Executive Vice Chairman, Whole Time Director and CEO of our Company ("**Restated and Amended Employment Agreement**"), which provides for benefits upon termination of his employment. Pursuant to the terms of the service contract, upon termination, Rajiv Kaul is entitled to be paid an amount equivalent to two years compensation on cost to company basis, if such termination has been effected without cause by the Company or by Rajiv Kaul due to (i) material adverse change in CEO's title/functions/responsibilities which would cause the CEO's position to become one of materially lesser responsibility, importance or scope or (ii) change in control of the Company or (iii) failure of the Company to procure corporate approvals to ensure all payments agreed in the Restated and Amended Employment Agreement are made to him.

2. **Agreement between Vault Co-Investment Vehicle L.P. and Rajiv Kaul, dated September 26, 2017**

Our Promoter is an investment vehicle which is an affiliate of the Baring Private Equity Asia, a private equity firm that has over US$27 billion of assets under management as of June 30, 2021. For further details, see "*Our Promoter and Promoter Group*" on page 208.

Vault Co-Investment Vehicle L.P. ("**Vault L.P.**"), a limited liability partnership incorporated in the Cayman Islands and controlled by Baring Private Equity Asia GP VI Limited ("**BPEGPL**"), the ultimate promoter of Sion, has entered into an agreement dated September 26, 2017 with our Executive Vice Chairman, Whole-time Director and CEO, Rajiv Kaul, pursuant to which our he is entitled to certain options under the stock option plan of Vault L.P. In terms of these options, Vault L.P., will issue certain units in Vault L.P. to Rajiv Kaul and upon redemption of such units, he will receive from Vault L.P., all amounts received by Vault L.P. which will be equivalent to 0.61% of the value of our Company, subject to various adjustments. Vault L.P. has also agreed to pay certain amounts to him at the time of sale of our Promoter's shareholding in our Company which amounts are linked to the value of our Company and the returns made by our Promoter on the sale of their shareholding in our Company. This arrangement will be subject to the approval of the Shareholders of the Company post the Offer.

As a consequence of the aforementioned arrangements, our Company will recognize employee expense in accordance with applicable accounting standards computed using appropriate valuation method.

The aforementioned arrangements do not involve payment of any compensation or profit sharing amount by our Company to him or to Vault L.P.

Terms of appointment of Directors

a) *Remuneration to our Executive Director*

Rajiv Kaul, Executive Vice Chairman, Whole Time Director and CEO

Rajiv Kaul, our Executive Vice Chairman, Whole Time Director and CEO has been associated with our Company since July 1, 2009. He was last re-appointed as the Executive Vice Chairman for a period of five years up to September 15, 2022, pursuant to a Board resolution dated September 16, 2017 and a resolution of our Shareholders in their extraordinary general meeting held on September 16, 2017 and subsequent Board resolutions dated October 15, 2019, December 16, 2019, October 14, 2020 and October 28, 2021. He was last re-appointed as the CEO and Whole Time Director (on non-rotational basis) from October 16, 2020 to March 31, 2022, pursuant to a Board resolution dated October 14, 2020 and a resolution of our Shareholders in their extraordinary general meeting held on October 14, 2020 which was further extended up till March 31, 2023 pursuant to a Board resolution and a resolution of our Shareholders in their extraordinary general meeting each dated September 10, 2021.

He receives remuneration from our Company in accordance with the terms of the Restated and Amended Employment Agreement, as mentioned above. For Fiscal 2021, the remuneration paid or payable to him was ₹96.48 million. Rajiv Kaul is also entitled to receive sitting fees of ₹25,000 for attending each meeting of our Board, subject to sitting fees payable for a maximum of four such meetings in a calendar year.

Pursuant to a resolution of our Board in its meeting held on October 14, 2020 and a resolution of our Shareholders in their extraordinary general meeting held on October 14, 2020 and subsequent resolution of our Board and our Shareholders in their extraordinary general meeting each held on October 28, 2021, Rajiv Kaul is entitled to the following remuneration with effect from April 1, 2020:

Particulars	Remuneration
Salary	₹43.08 million on a cost to company basis from April 1, 2020 with annual increments as determined by the NRC
Perquisites and Benefits	• Paid leave as per Company policy and medical leave, in case of physical or mental illness or accident, on the basis of actuals, not exceeding 60 days in a calendar year. • Facilities such as office space, secretarial assistance, office supplies, office equipment, etc. • Company vehicle to be provided along with chauffer services including all costs, in relation thereto. • Club membership - corporate membership to be subscribed by the Company or reimbursement of expenses for membership availed in an individual capacity.

Particulars	Remuneration
	• Housing and relocation - costs for movers and packers for household good, brokerage (up to one month of effective rent) for housing, lease preparation, registration fees, stamp duty for housing on actual basis once in three Fiscals, including for a period of six months from the date of termination or resignation. • Applicable taxes payable for housing and relocation, transportation and club membership to be borne by the Company. • Payment of premium for medical insurance covering including family (spouse, dependents, children, parents) and premium for death and disability insurance as per Company policy.
Bonus	Annual bonus of 30% to 110% calculated on the basis of cost to company as decided by the NRC and Board, based on and subject to the satisfaction of certain targets with respect to EBITDA (as per the last financial statement) of the Company. For further details, see "- *Payment of benefits to Directors*" on page 193.

b) *Remuneration to our Independent Directors*

Pursuant to a resolution of our Board in its meeting held on November 13, 2019 and a resolution of our Shareholders in their extraordinary general meeting held on November 13, 2019, Shyamala Gopinath, an Independent Director of our Company and pursuant to a resolution of our Board in its meeting held on April 9, 2021 and a resolution of our Shareholders in their extraordinary general meeting held on April 9, 2021, Tapan Ray, an Independent Director of our Company, are entitled to receive sitting fees of ₹0.10 million for attending each meeting of our Board, subject to sitting fees payable for a maximum of four such meetings in a calendar year. They are not entitled to receive any sitting fees for attending the meetings of any of our Board level committees. In addition to the sitting fees, they are also eligible to receive a yearly commission of up to 0.5% on our profit after tax, subject to a maximum limit of ₹2.1 million in a calendar year. Following are the details of remuneration paid to our Independent Directors for Fiscal 2021.

(*in ₹ million*)

Name of Director	Designation	Total remuneration (including sitting fees) paid for Fiscal 2021
Shyamala Gopinath	Independent Director	2.50
Krishna Mohan Sahni*	Independent Director	2.50
Tapan Ray**	Independent Director	Nil

* *The term of Krishna Mohan Sahni ended on March 31, 2021.*
** *Tapan Ray has been appointed with effect from April 9, 2021.*

c) *Remuneration to our Non-Executive Directors other than Independent Directors*

Our Non-Executive Director, Krzysztof Wieslaw Jamroz, is entitled to an annual remuneration of ₹2.1 million and sitting fees of ₹0.10 million for attending each meeting of our Board, subject to sitting fees payable for a maximum of four such meetings in a year. Other than Krzysztof Wieslaw Jamroz and our Independent Directors, none of our Non-Executive Directors receive any remuneration from our Company, except for reimbursement of expenses incurred for attending the meetings of our Board and its committees.

d) *Remuneration paid or payable by our Subsidiaries*

No remuneration, including contingent or deferred compensation, has been paid or is payable to our Directors by any of our Subsidiaries.

Payment of benefits to Directors

Except as disclosed below, our Company has not entered into any contract appointing or fixing the remuneration of a Director and no amount or benefit has been paid or given in the two years preceding the date of this Prospectus or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered in the capacity of being a Director.

Name of Director	Period for which amount is paid or payable	Payment of benefit[#]
Rajiv Kaul, Executive Vice Chairman, Whole Time Director and CEO	April 1, 2019 to March 31, 2020[*]	Per the terms of the employment agreement dated September 16, 2017 ("**Employment Agreement**"), the annual bonus shall be payable as a percentage of the cost to company, determined on the basis of annual targets with respect to the profit before tax (as per the last audited consolidated financial statement) of our Company. On achievement of the targets Rajiv Kaul shall be entitled to be paid 70% of the cost to company as the annual bonus. In the event, 97% of the annual target is achieved, he shall be entitled to 50% of the cost to company as the annual bonus and if less than 97% of the annual target is achieved, the annual bonus shall be determined by the Board and the NRC taking into consideration the general performance of the Company.
	April 1, 2020 to March 31, 2023	Annual bonus of 30% to 110% calculated on the basis of cost to company as decided by the NRC and Board, based on and subject to the satisfaction of certain targets with respect to EBITDA (as per the last financial statement) of the Company.

[*]*Pursuant to the terms of the Employment Agreement dated September 16, 2017, the relevant period for computation of the bonus entitlement for Rajiv Kaul, in his capacity as the Executive Vice Chairman, Whole Time Director and CEO is on an annual basis i.e., April 1, 2019 to March 31, 2020, however, the said term expired on October 15, 2019. Pursuant to board resolutions dated October 15, 2019 and letter of extension dated October 15, 2019, the term of the Employment Agreement was extended till December 31, 2019 and pursuant to board resolution dated December 16, 2019 and letter of extension dated December 31, 2019, the term of the Employment Agreement was further extended till October 15, 2020.*
[#]*The annual bonus that is accrued for each financial year is paid in the next financial year by our Company.*

Shareholding of our Directors in our Company and Subsidiaries

Our Articles of Association do not require our Directors to hold any qualification shares. As on the date of this Prospectus, none of our Directors hold any Equity Shares. However, as on date of this Prospectus, Rajiv Kaul holds 9,866,667 options, granted and vested pursuant to the CEO ESOP 2016 and 2,519,366 options, granted but not yet vested, pursuant to the Management ESOP 2016. Further, none of our Directors hold any equity shares in any of our Subsidiaries.

Borrowing Powers

Pursuant to our Articles of Association, subject to the provisions of the Companies Act, 2013, and subject to a resolution passed by the Shareholders, in their general meeting held on October 21, 2014, our Board has been authorised to borrow a sum not exceeding ₹3,000 million for and on behalf of our Company, from time to time.

Loans to Directors

Our Company and Subsidiaries have not provided any loan to our Directors.

Bonus or profit sharing plan for our Directors

Except as disclosed above in respect of the remuneration payable to Rajiv Kaul, our Executive Vice Chairman, Whole Time Director and CEO under the "- *Terms of appointment of Director – Remuneration to our Executive Director*" on page 192, "- *Payment of benefits to Directors*" on page 193 and in "*Related Party Transactions*" on page 264, our Company does not have any performance linked bonus or a profit-sharing plan for our Directors.

Interest of Directors

All the Directors, including Independent Directors, may be deemed to be interested to the extent of fees and commission, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration, commission and reimbursement of expenses payable to them.

The Directors, including Independent Directors, may also be regarded as interested in the Equity Shares, if any, held by them and also to the extent of any dividend payable to them and other distributions in respect of the Equity Shares. The Directors, including Independent Directors, may also be regarded as interested in Equity Shares held by or that may be subscribed by and allotted to the companies, firms and trust, in which they are interested as directors, members, partners and trustees, pursuant to the Offer.

Our Directors may also be regarded as interested in relation to the stock options granted to them under the employee stock option plans instituted by our Company. As on the date of this Prospectus, Rajiv Kaul, our Executive Vice Chairman, Whole Time Director and CEO holds 9,866,667 options, granted and vested pursuant to the CEO ESOP 2016 and 2,519,366 options, granted but not yet vested, pursuant to the Management ESOP 2016. Upon exercise of such options, he shall be entitled for an allotment of 12,386,033 Equity Shares. For further details, see "*Capital Structure-Employee Stock Option Plans*" on page 85.

Certain of our Directors may be deemed to be interested in the contracts, transactions, agreements/arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity. There is no material existing or anticipated transaction whereby Directors will receive any portion of the proceeds from the Offer.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help them qualify as a Director, or otherwise for services rendered by him or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Interest of Directors in the promotion of our Company

As on the date of this Prospectus, none of our Directors are interested in the promotion of our Company. However, Ashish Agrawal and Jimmy Lachmandas Mahtani, our Non-Executive Directors are nominees of our Promoter.

Interest of Directors in the properties of our Company

Our Directors do not have any interest in any property acquired in the three years preceding the date of this Prospectus or proposed to be acquired by our Company or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Business interest

Except as stated in the section titled "*Related Party Transactions*" on page 264, our Directors do not have any other interest in our business or our Company.

Changes to the Board in the last three years*

Name	Designation	Date of appointment/ cessation	Reason
Krzysztof Wieslaw Jamroz	Additional Director	August 10, 2021	Appointment
Tapan Ray	Additional Independent Director	April 9, 2021	Appointment
Krishna Mohan Sahni	Independent Director	March 31, 2021	Cessation due to expiry of term
Krishna Mohan Sahni	Additional Independent Director	April 1, 2020	Appointment
Krzysztof Wieslaw Jamroz	Chairman and Independent Director	December 31, 2019	Cessation due to expiry of term
Gopal Krishna Pillai	Independent Director	December 31, 2019	Cessation due to expiry of term

**The aforementioned changes to our Board in the past three years do not include changes in the designation of our Directors post their initial appointment on the Board or subsequent regularisation by the Shareholders.*

Corporate Governance

In addition to the applicable provisions of the Companies Act, 2013, with respect to corporate governance, provisions of the SEBI Listing Regulations will also be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges.

The Chairperson of our Board is an independent director. Our Company currently has six Directors of which five are non-executive directors including two Independent Directors. Additionally, out of the two Independent Directors, one is a woman Director.

Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance in accordance with the SEBI Listing Regulations and the Companies Act, 2013, pertaining to the composition of the Board and constitution of committees thereof.

The Board functions either as a full board or through various committees constituted to oversee specific operational areas.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act, 2013.

Board-level committees

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

(a) Audit committee;
(b) Nomination and Remuneration committee;
(c) Stakeholders' Relationship committee;
(d) Corporate Social Responsibility committee; and
(e) Risk Management committee

(a) Audit Committee

The Audit Committee was constituted by a resolution of our Board dated July 31, 2009 and was last re-constituted on August 10, 2021. The current constitution of the Audit committee is as follows:

Name of Director	Position in the Committee	Designation
Shyamala Gopinath	Chairperson	Independent Director
Tapan Ray	Member	Independent Director
Ashish Agrawal	Member	Non-Executive Director

Our Company Secretary and Compliance Officer is secretary of the Audit committee. Rajiv Kaul is a permanent invitee to the meetings of the committee (without voting rights).

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations and its terms of reference are as follows:

Scope and terms of reference of the Audit Committee:

(i) The Audit Committee shall have powers, which should include the following:

(a) To investigate any activity within its terms of reference;

(b) To seek information that it properly requires from any employee of the Company or any associate or subsidiary, joint venture company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the committee;

(c) Call any director or other employee to be present at a meeting of the committee whenever required;

(d) To secure attendance of outsiders with relevant expertise, if it considers necessary and to seek their advice, whenever required; and

(e) Perform such powers as may be prescribed under the Companies Act and SEBI Listing Regulations

(ii) The role of the Audit Committee shall include the following:

(a) Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(b) Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors including the internal auditor, cost auditor and statutory auditor of our Company and the fixation of audit fee;

(c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors of the Company;

(d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act;

(ii) Changes, if any, in accounting policies and practices and reasons for the same;

(iii) Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;

(iv) Significant adjustments made in the financial statements arising out of audit findings;

(v) Compliance with listing and other legal requirements relating to financial statements

(vi) Disclosure of any related party transactions; and

(vii) Qualifications and modified opinion(s) in the draft audit report.

(e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(f) Examination of the financial statement and auditor's report thereon;

(g) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

(h) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

(i) Formulating a policy on related party transactions, which shall include materiality of related party transactions;

(j) Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed.

Explanation: The term 'related party transactions' shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

(k) Scrutiny of inter-corporate loans and investments;

(l) Valuation of undertakings or assets of the company, wherever it is necessary;

(m) Evaluation of internal financial controls and risk management systems;

(n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(o) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(p) Discussion with internal auditors of any significant findings and follow up there on;

(q) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(r) Discussion with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(s) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time;

(t) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(u) To recommend to the Board the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

(v) To monitor the end use of funds raised through public offers and related matters;

(w) To review the functioning of the whistle blower mechanism;

(x) Approval of the appointment of the chief financial officer of the Company (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

(y) Carrying out any other function as may be required/mandated as per the provisions of the Companies Act, 2013, listing agreements and/or any other applicable laws;

(z) Reviewing the utilization of loans and/or advances from/investment by the Company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing;

(aa) Consider and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

(bb) Overseeing the vigil mechanism including to whom directors and employee shall report in case of any concern;

(cc) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Audit Committee.

(iii) The Audit Committee shall mandatorily review the following information:

(a) Management discussion and analysis of financial condition and results of operations;

(b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of the Company;

(c) Management letters / letters of internal control weaknesses issued by the statutory auditors of the Company;

(d) Internal audit reports relating to internal control weaknesses;

(e) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee;

(f) Details of related party transactions entered into by the Company pursuant to each omnibus approval given, on a quarterly basis;

(g) Statement of deviations as and when becomes applicable:

(i) quarterly statement of deviation(s), submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

(ii) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice, in terms of the SEBI Listing Regulations;

(h) Quarterly statement of variation for public issue, rights issue and preferential issue indicating category wise variation (capital expenditure, sales and marketing, working capital etc.) between projected utilisation of funds and the actual utilisation of funds, before the submission to stock exchange (s);

(i) Annual report of the monitoring agency, immediately upon its receipt;

(j) The financial statements, in particular, the investments made by any unlisted subsidiary.

The Audit Committee is required to meet at least four times in a year under Regulation 18 (2)(a) of the SEBI Listing Regulations.

(b) Nomination and Remuneration Committee ("NRC")

The NRC was constituted by a resolution of our Board dated April 1, 2015 and was last reconstituted on August 10, 2021. The current constitution of the NRC is as follows:

Name of Director	Position in the Committee	Designation
Tapan Ray	Chairperson	Independent Director
Jimmy Lachmandas Mahtani	Member	Non-Executive Director
Shyamala Gopinath	Member	Independent Director
Ashish Agrawal	Member	Non-Executive Director

The Company Secretary and Compliance Officer is the secretary of the NRC. Rajiv Kaul is a permanent invitee to the meetings of the committee (without voting rights).

The scope and function of the NRC is in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

Scope and terms of reference of the NRC:

(a) To be responsible for identifying and nominating, for approval of the Board and ultimately the shareholders, candidates to fill Board vacancies as and when they arise as well as putting in place plans for succession, in particular, with respect to the Chairman of the Board and the Chief Executive Officer

(b) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees. The NRC, while formulating the above policy, should ensure that —

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key management personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

(c) Formulation of criteria for evaluation of performance of independent directors and the Board;

(d) Devising a policy on diversity of the Board;

(e) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report of the Company;

(f) Analysing, monitoring and reviewing various human resource and compensation matters;

(g) Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(h) To regularly review the Board structure, size, composition and make recommendations to the Board of adjustments that are deemed necessary, in order to ensure an adequate size and a well-balanced composition of the Board and further to make determinations regarding independence of members of the Board;

(i) To consider succession and emergency planning and taking into account the challenges and opportunities facing the Company and the skills and expertise therefore needed on the Board, reporting to the Board regularly;

(j) Recommend to the Board, all remuneration, in whatever form, payable to the senior management personnel;

(k) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(l) Extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(m) Administering, monitoring and formulating detailed terms and conditions of the Company's ESOP Schemes, including any amendments made thereto, and any other employee stock option plan that the Company adopts in the future

(n) Perform such functions as are required to be performed by the Compensation Committee under the SEBI (Share Based Employee Benefits) Regulations, 2014;

(o) Carrying out any other function as is mandated by the Board from time to time and/or enforced/mandated by any statutory notification, amendment or modification, as may be applicable;

(p) Performing such other functions as may be necessary or appropriate for the performance of its duties as prescribed under applicable laws;

(q) To analyse, monitor and review various human resource and compensation matters;

(r) To ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings;

(s) To recommend to the Board whether to reappoint a director/ independent director at the end of their term of office;

(t) Annual performance evaluation of the chairperson and all directors including managing and other executive director with respect to their roles as directors;

(u) To make recommendations to the Board concerning any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the Company subject to provision of the law and their service contract;

(v) To ensure the development of guidelines for selecting candidates for election or re-election to the Board, or to fill vacancies on the Board;

(w) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

   (i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and

   (ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended, by the trust, the Company and its employees, as applicable;

(x) To make available its terms of reference and review periodically those terms of reference and its own effectiveness and recommend and necessary changes to the Board;

(y) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

(c) Corporate Social Responsibility Committee ("CSRC")

The CSRC was constituted by a resolution of our Board dated January 28, 2015 and was last reconstituted on August 10, 2021. The current constitution of the CSRC is as follows:

Name of Director	Position in the Committee	Designation
Rajiv Kaul	Chairperson	Executive Vice Chairman, Whole Time Director and CEO
Tapan Ray	Member	Independent Director
Shyamala Gopinath	Member	Independent Director
Jimmy Lachmandas Mahtani	Member	Non-Executive Director
Krzysztof Wieslaw Jamroz	Member	Non-Executive Director

Our Company Secretary and Compliance Officer is the secretary of the CSRC.

The scope and functions of the CSRC is in accordance with Section 135 of the Companies Act, 2013.

Scope and terms of reference of the CSRC:

(a) To formulate and recommend to the board, a CSR Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and make any revisions therein as and when decided by the Board;

(b) To recommend the amount of expenditure to be incurred on the activities referred to in (a);

(c) To monitor the CSR Policy of the company from time to time and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

(d) Instituting a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs or activities undertaken by the Company;

(e) Identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;

(f) Identifying and appointing the corporate social responsibility team of the Company including corporate social responsibility manager, wherever required;

(g) To do such other acts, deeds and things as may be directed by the board and required to comply with the applicable laws; and

(h) To perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or statutorily prescribed under any other law or by any other regulatory authority.

(d) Stakeholders' Relationship Committee ("SRC")

The SRC was constituted by a resolution of our Board dated August 19, 2017 and was last reconstituted on August 10, 2021. The current constitution of the SRC is as follows:

Name of Director	Position in the Committee	Designation
Krzysztof Wieslaw Jamroz	Chairperson	Non-Executive Director
Rajiv Kaul	Member	Executive Vice Chairman, Whole Time Director and CEO
Jimmy Lachmandas Mahtani	Member	Non-Executive Director
Tapan Ray	Member	Independent Director

Our Company Secretary and Compliance Officer is the secretary of the SRC.

The scope and function of the SRC is in accordance with Section 178(6) of the Companies Act, 2013, read with Regulation 20 of the SEBI Listing Regulations.

Scope and terms of reference of the SRC:

(a) Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of declared dividends, non-receipt of annual reports, general meetings etc. and assisting with quarterly reporting of such complaints;

(b) To consider and look into various aspects of interest of shareholders, debenture holders and other security holders;

(c) Review of measures taken for effective exercise of voting rights by shareholders;

(d) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;

(e) To make available its terms of reference and review periodically those terms of reference and its own effectiveness and recommend any necessary changes to the Board;

(f) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(g) Giving effect to all transfer/ transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(h) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or the SEBI Listing Regulations or by any other regulatory authority

(i) The committee is authorised by the Board to:

i. investigate any activity within its terms of reference;

ii. seek any information from any employee of the Company or any associate or subsidiary, joint venture Company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee; and

iii. call any director or other employee to be present at a meeting of the committee as and when required

(j) If the committee considers it necessary so to do it is authorised to obtain appropriate external advice including but not limited to legal and professional advice to assist it in the performance of its duties and to secure the services of outsiders with relevant experience and expertise and to invite those persons to attend at meetings of the committee. The cost of obtaining any advice or services shall be paid by the Company within the limits as authorised by the Board.

(e) Risk Management Committee ("RMC")

The RMC was constituted by a resolution of our Board dated August 10, 2021. The current constitution of the RMC is as follows:

Name of Director	Position in the Committee	Designation
Krzysztof Wieslaw Jamroz	Chairperson	Non-Executive Director
Ashish Agrawal	Member	Non-Executive Director
Shyamala Gopinath	Member	Independent Director

Rajiv Kaul is a permanent invitee to the meetings of the committee (without voting rights).

The scope and function of the RMC is in accordance with Regulation 21 of the SEBI Listing Regulations.

Scope and terms of reference of the RMC:

The role of the RMC shall include the following:

(a) To formulate a detailed risk management policy which shall include:

i. a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, Environmental, Social and Governance (ESG) related risks), information, cyber security risks or any other risk as may be determined by the Committee;

ii. measures for risk mitigation including systems and processes for internal control of identified risks; and

iii. business continuity plan.

(b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

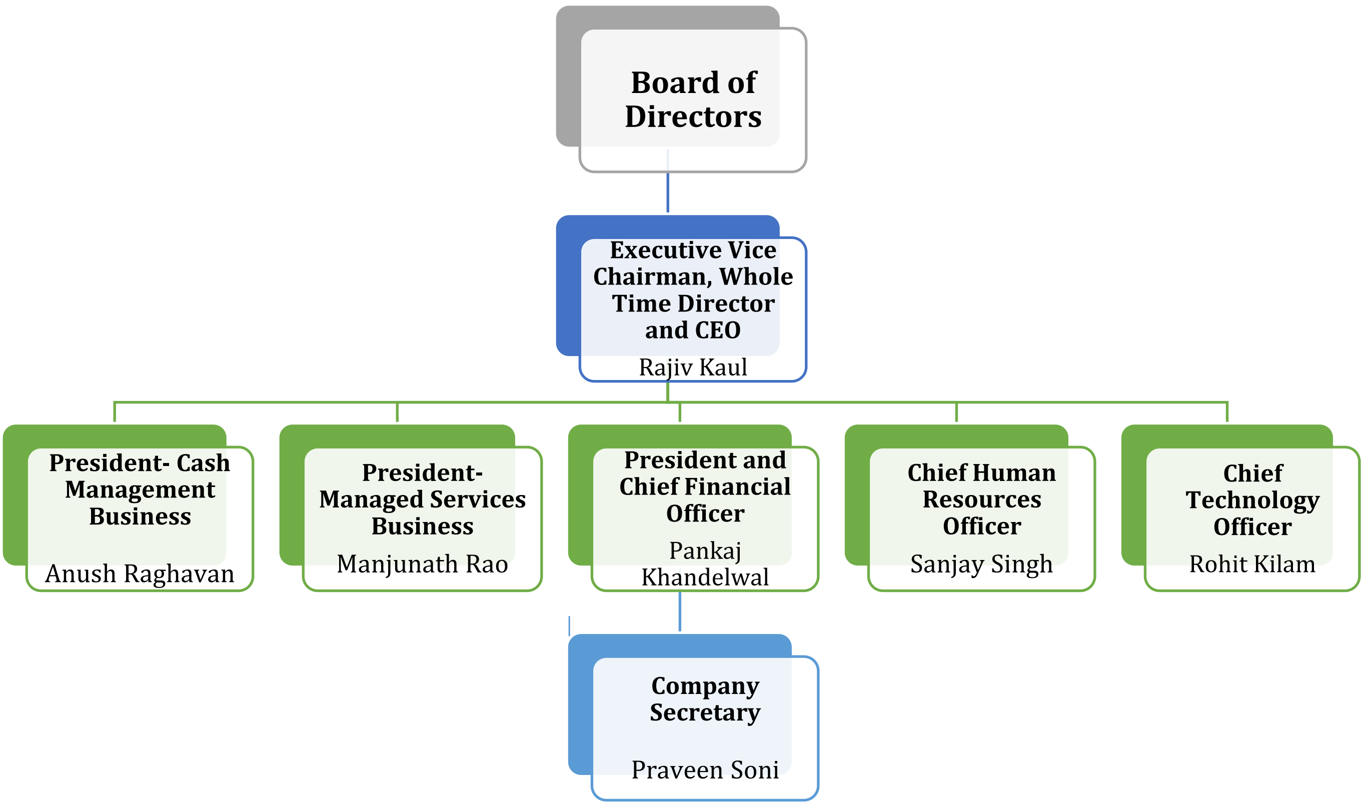
(e) To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

(f) To review the appointment, removal and terms of remuneration of the Chief Risk Officer, if any;

(g) To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board.

(h) To monitor and review the risk management plan and perform such other functions including specifically cyber security, as may be delegated by the Board.

Management organisation chart



Key Management Personnel

The following persons are the Key Management Personnel of our Company.

For a brief profile of Rajiv Kaul, our Executive Vice Chairman, Whole Time Director and CEO, see "*Brief Profiles of our Directors*" above on page 190.

The details of our other Key Management Personnel as on the date of this Prospectus are as follows:

Pankaj Khandelwal is the President and Chief Financial Officer of our Company. He has been associated with our Company since July 1, 2009 and prior to the demerger was associated with CMS Computers Limited as a chief financial officer since May 8, 2006. He is currently responsible for finance, legal and secretarial function of our Company. He holds a bachelor's degree in commerce from University of Rajasthan and is a qualified chartered accountant from ICAI with over 27 years of experience. In the past, he has been associated with Gajra Bevel Gears Limited in the capacity of deputy general manager (accounts) and with NRC Limited in the capacity of vice president (commercial). For Fiscal 2021, he received ₹13.21 million from our Company as remuneration.

Praveen Soni is the Company Secretary and Compliance Officer of our Company. He has been associated with our Company since July 1, 2009 and prior to the demerger was associated with CMS Computers Limited as a company secretary and legal manager since January 27, 2009. He is currently responsible for handling secretarial compliance and secretarial function of our Company. He holds bachelor's degrees in commerce and law from University of Rajasthan along with a master's degree in commerce from University of Rajasthan. He is a fellow member of the Institute of Company Secretaries of India ("**ICSI**"). He has over 16 years of experience in secretarial and legal practices. In the past, he has been associated with Trimax IT Infrastructure & Services Limited in the capacity of company secretary cum legal manager, Viraj Profiles Limited and Data Infosys Limited in the capacity of a company secretary. He was elected to the Council of the ICSI in December, 2018. For Fiscal 2021, he received ₹2.29 million from our Company as remuneration.

Manjunath Rao Pare Parmeshwar is the President- Managed Services Business. He has been associated with our Company since July 6, 2012. He is currently heading the managed services business of our Company. He holds a bachelor's degree in science, with specialisation in statistics from Madras University. He has over 34 years of experience in sales and marketing across sectors. In the past, he has been associated with NCR Corporation India Private Limited in the capacity of interim managing director, CashLink Global Systems Private Limited in the capacity of chief operating officer and Diebold Systems Private Limited in the capacity of director sales and marketing. For Fiscal 2021, he received ₹13.86 million from our Company as remuneration.

Anush Raghavan is the President- Cash Management Business of our Company. He has been associated with our Company since October 1, 2009. He is currently heading the cash management business of our Company He holds a bachelor's degree in academic laws from University of Mysore and a post-graduate diploma in management from Indian Institute of Management, Ahmedabad. He has over 14 years of experience in business management and business development. He has previously been associated with Hay Consultants India Private Limited in the capacity of an associate consultant. He is the president of Cash Logistics Association and Currency Cycle Association. For Fiscal 2021, he received ₹10.69 million from our Company as remuneration.

Sanjay Singh is the Chief Human Resources Officer of our Company. He has been associated with our Company since July 26, 2021. He is currently responsible for developing and executing human resource strategy in our Company. He holds a bachelor's degree in science, with a specialisation in dairy technology from National Dairy Research Institute, Karnal and a post graduate diploma in personnel management and industrial relations from Institute of Management and Labour Studies, XLRI Jamshedpur. He has previously been associated with Cairn India Limited in the capacity of director, human resources and administration and member ExCo, Hi-Tech Gears Limited in the capacity of vice president and global CoE (human resources) and Strides Pharma Science Limited in the capacity of chief human resources officer. For Fiscal 2021, he has not received any remuneration from our Company.

Rohit Kilam is the Chief Technology Officer of our Company. He has been associated with our Company since November 23, 2020. He is currently responsible for the IT function of our Company. He holds a bachelor's degree in arts from University of Delhi and a post graduate diploma in business administration from KJ. Somaiya Institute of Management Studies and Research, Mumbai. He has over 20 years of experience in IT across sectors. His last role was in the capacity of head-technology at Aditya Birla Finance Limited. Prior to that, he has been associated Tata Consultancy Services Limited, IBM India Private Limited, Masan Group Corporation and Adani Enterprises Limited. He has been identified as the top-15 IT leaders for their continued commitment to excellence, at the 8th BFSI Innovation and Technology Summit, 2019. For Fiscal 2021, he received ₹3.91 million from our Company as remuneration.

All of our Key Management Personnel are permanent employees of our Company.

Relationship of Key Management Personnel

None of our Key Management Personnel are related to any of our Directors or to each other.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of our Key Management Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Shareholding of the Key Management Personnel

As on the date of this Prospectus, except for Pankaj Khandelwal, our President and Chief Financial Officer, and Manjunath Rao Pare Parmeshwar, our President- Managed Services, who hold one Equity Share each, as a registered owner of Equity Share for which the beneficial ownership has been declared in favour of the Promoter, none of our Key Management Personnel hold any Equity Shares. As on date of this Prospectus, Rajiv Kaul holds 9,866,667 options, granted and vested pursuant to the CEO ESOP 2016 and 2,519,366 options, granted but not yet vested, pursuant to the Management ESOP 2016. Further, 625,000 options to Pankaj Khandelwal, 625,000 options to Anush Raghavan, 325,000 options to Manjunath Rao Pare Parmeshwar, 160,000 options to Sanjay Singh, 110,000 options to Rohit Kilam and 40,000 options to Praveen Soni have been granted pursuant to the Employees ESOP 2016.

Details of our Key Management Personnel who hold equity shares in our Subsidiaries as on the date of this Prospectus are as follows:

Name of Subsidiary	Name of the Key Management Personnel	No. of equity shares of held in the respective Subsidiary	% of issued capital of the respective Subsidiary
CMS Securitas Limited	Manjunath Rao Pare Parmeshwar*	10	*Negligible*
	Anush Raghavan*	10	*Negligible*
Quality Logistics Services Private Limited	Pankaj Khandelwal*	1	*Negligible*
CMS Marshall Limited	Manjunath Rao Pare Parmeshwar**	10	0.02%
	Anush Raghavan**	10	0.02%

* *In the capacity of a registered owner of Equity Shares for which the beneficial ownership has been declared in favour of our Company.*

***In the capacity of a registered owner of Equity Shares for which the beneficial ownership has been declared in favour of our Subsidiary, CMS Securitas Limited.*

Service Contracts with Key Management Personnel

Except as disclosed in *"- Service contracts with Directors"* on page 191 and the applicable statutory benefits, our Company has not entered into any service contract, with our Key Management Personnel, including termination/retirement benefits pursuant to which they are entitled to any benefits upon retirement or termination of employment.

Contingent and deferred compensation payable to Key Management Personnel

Other than performance linked incentive and bonus or profit sharing plans for our Directors, there is no contingent or deferred compensation payable to Key Management Personnel, which does not form part of their remuneration.

Bonus or profit sharing plan of the Key Management Personnel

Except as disclosed above in respect of the remuneration payable to Rajiv Kaul, our Executive Vice Chairman, Whole Time Director and CEO under the "*- Terms of appointment of our Directors – Remuneration to our Executive Director*" on page 192, "*- Payment of benefits to Directors*" on page 193 and in "*Related Party Transactions*" on page 264, our Company does not have any performance linked bonus or a profit-sharing plan for our Key Management Personnel.

Interest of Key Management Personnel

The Key Management Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service. The Key Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them, if any. Further, our Key Management Personnel may be regarded as interested to the extent of any options granted by our Company under its employee stock option plans. For further details, see "*Capital Structure- Employee Stock Option Plans*" on page 85.

Changes in the Key Management Personnel in last three years

Name of Key Management Personnel	Designation	Date of appointment/ change of designation/ cessation	Reason
Sanjay Singh	Chief Human Resources Officer	July 26, 2021	Appointment
Rohit Kilam	Chief Technology Officer	November 23, 2020	Appointment
Sheen Sunny Akkara	Chief Human Resources Officer	October 20, 2020	Resignation
Subhash Kelkar	Chief Technology Officer	September 29, 2020	Resignation
Anush Raghavan	President- Cash Management Business	July 1, 2020	Change in designation
Ashish Shrivastava	Chief Information Officer*	November 15, 2019	Resignation

**The functions and responsibilities are the same as the Chief Technology Officer.*

The attrition of the Key Management Personnel of our Company is not high compared to the industry. For more information, please see "*Risk Factors- 32. We are dependent on a number of key managerial personnel, including senior management, and the loss of or our inability to attract or retain such persons with specialised technical know-how could adversely affect our business, results of operations, cash flows and financial condition*" on page 50.

Employee Stock Option Plan

For details of the employee stock options plans of our Company, see the sub-section titled "*Capital Structure – Employee Stock Option Plans*" on page 85.

Payment of non-salary related benefits to officers of our Company

Except as disclosed in this section and in the sub-section titled "*Capital Structure – Employee Stock Option Plans*" on page 85 in relation to the employee stock option plans, no amount or benefit has been paid or given to any Key Management Personnel within the two years preceding the date of filing of this Prospectus or is intended to be paid, other than in the ordinary course of their employment.

OUR PROMOTER AND PROMOTER GROUP

Our Promoter

The Promoter of our Company is Sion Investment Holdings Pte. Limited.

Details of our Promoter

Sion Investment Holdings Pte. Limited ("Sion")

Corporate information and history

Sion was incorporated as a private company limited by shares under the laws of Singapore on January 29, 2015 with its office located at 9 Raffles Place #26-01, Republic Plaza Singapore 048 619.

Sion is primarily engaged in the business of investments, including but not limited to private equity investments whether directly or indirectly through any special purpose vehicles or otherwise. Sion is an affiliate of Baring Private Equity Asia, a private equity firm that has over US$27 billion of assets under management as of June 30, 2021. There have been no changes to the primary business activities undertaken by Sion.

Sion acquired 100% equity share capital of the Company on August 27, 2015. As on date of this Prospectus, Sion holds 148,000,000 Equity Shares, representing 100% of the issued, subscribed and paid-up equity share capital of our Company, including six Equity Shares held by certain individuals who have declared the beneficial ownership in the favour of Sion. For details in relation to the purchase of Equity Shares by Sion of our Company, see "*Capital Structure – Build-up of Promoter's shareholding in our Company*" on page 95.

Board of directors

The board of directors of Sion comprises of the following persons:

1. Giridhar Veera Raghavan;
2. Jimmy Lachmandas Mahtani; and
3. Kirti Ram Hariharan.

The shareholding pattern of Sion as on the date of this Prospectus is as follows:

Entity / Person	Number of shares	Percentage of share capital
Baring Private Equity Asia VI Holdings Pte. Limited	2,723,285 ordinary shares and 216,605,176 preference shares	100.00%

Details of the promoter of our Promoter

The ultimate promoter of Sion is Baring Private Equity Asia GP VI Limited ("**BPEAGPL**"). The details of BPEAGPL are as follows:

Corporate information and history

BPEAGPL is incorporated as a company limited by shares under the laws of Cayman Islands on May 22, 2014, with its office located at C/O Maples Corporate Services Limited, Po Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

BPEAGPL serves as the general partner of Baring Private Equity Asia GP VI, L.P., which in turn serves as the general partner of certain funds, including The Baring Asia Private Equity Fund VI L.P.1, The Baring Asia Private Equity Fund VI L.P.2, and The Baring Asia Private Equity Fund VI Co-Investment L.P. (collectively, "**Baring Asia Private Equity Fund VI Fund Entities**").

BPEAGPL does not hold any Equity Shares in our Company. However, BPEAGPL through its role as the ultimate general partner to the Baring Asia Private Equity Fund VI Fund Entities which indirectly own approximately

100% of Baring Private Equity Asia VI Holdings Pte. Limited, the holding company of Sion, indirectly controls 100% of voting rights of Sion as on the date of this Prospectus.

The board of directors of BPEAGPL comprises the following persons:

1. Yok Hua Tek; and
2. Lynden Rees John
3. Ezekiel Daniel Arlin

Jean Eric Salata owns 100% (one hundred per cent) of BPEAGPL and disclaims beneficial ownership of interests indirectly owned by the Baring Asia Private Equity Fund VI Fund Entities, other than to the extent of his economic interest in such entities.

While Sion has been in control of our Company since August 27, 2015, due to the nature of its core business activities, the Promoter may not have adequate experience in the business activities undertaken by our Company. For details, see "*Risk Factors – 45. Our Promoter does not have adequate experience and has not actively participated in the business activities we undertake, which may have an adverse impact on the management and/or operations of our Company*" on page 57.

Change in control or management in the last three years

There has not been any change in the control or management of our Promoter in the last three years preceding the date of this Prospectus. We confirm that the details of the PAN, bank account numbers, the company registration number and the addresses of the registrar of companies where the Promoter is registered, have been submitted with the Stock Exchanges at the time of filing of the Draft Red Herring Prospectus with them.

Details of acquisition of control, date of acquisition, terms of acquisition and consideration paid for acquisition:

Our Promoter is not the original promoter of our Company. However, the control of our Company was acquired by our Promoter in 2015, prior to the completion of five years immediately preceding the date of this Prospectus.

Interests of our Promoter in our Company

Our Promoter is interested in our Company to the extent of its shareholding in and control over our Company, dividend payable on such shareholding and other distributions in respect of its Equity Shares, if any. For details of Equity Shares held by our Promoter, see "*Capital Structure*" on page 83. For details of nominee directors of our Promoter, appointed on our Board, see "*Our Management*" on page 188.

Except in the normal course of business and as stated in the *"Related Party Transactions"* on page 264, our Company has not entered into any contract, agreements or arrangements in which our Promoter is directly or indirectly interested and no payments have been made to our Promoter in respect of the contracts, agreements or arrangements which are proposed to be made with it.

Our Promoter has no interest, whether direct or indirect, in any property acquired by our Company in the three years preceding the date of this Prospectus or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery, etc.

No sum has been paid or agreed to be paid by our Company, to our Promoter or to such firm or company in cash or shares wherein our Promoter is interested as member, or promoter or otherwise as an inducement by any person for services rendered by the Promoter or by such firm or company in connection with the promotion or formation of our Company.

Our Promoter does not have any direct interest in any venture that is involved in any activities similar to those conducted by our Company.

Payment or benefits to our Promoter or Promoter Group in the last two years

Except in the ordinary course of business, dividends received by our Promoter, and as stated in *"Related Party Transactions"* on page 264 there has been no payment or benefits by our Company to our Promoter and members of our Promoter Group during the two years preceding the date of this Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Prospectus.

Material guarantees given by our Promoter to third parties with respect to Equity Shares

Our Promoter has not given any material guarantees to any third party with respect to the Equity Shares of our Company.

Companies or firms with which our Promoter has disassociated in the last three years

Our Promoter has not disassociated itself from any company or firm in the last three years preceding the date of this Prospectus.

Promoter Group

Apart from our Promoter, the Promoter Group comprises of Baring Private Equity Asia VI Holdings Pte. Limited.

OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations, for the purpose of identification of 'group companies', our Company has considered (i) such companies (other than our Promoter and Subsidiaries) with which there were related party transactions during the period for which Restated Financial Information have been disclosed in this Prospectus, as covered under the applicable accounting standards; and (ii) any other companies which are considered material by our Board in accordance with the Materiality Policy.

In respect of point (ii) above, our Board in its meeting held on August 10, 2021 has considered and adopted the Materiality Policy, inter alia, for identification of companies that shall be considered material and shall be disclosed as a group company in this Prospectus. In terms of the Materiality Policy, if a company (other than companies covered under the schedule of related party transactions as per the Restated Financial Information) (a) is a member of our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations; and (b) has entered into one or more transactions with our Company during the last completed full financial year and the most recent period (if applicable)included in the Restated Financial Information, which, individually or cumulatively in value, exceed 10% of the consolidated revenue of the Company derived from the Restated Financial Information of the last completed full financial year and the relevant stub period, as applicable, it shall be considered material and shall be disclosed as a group company in this Prospectus.

Based on the above criteria, laid out by the SEBI ICDR Regulations and our Materiality Policy, there are no Group Companies of our Company as on the date of this Prospectus.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and other applicable law, including the Companies Act, provisions of the SEBI Listing Regulations and the dividend distribution policy adopted by our Board on August 10, 2021 ("**Dividend Policy**").

In accordance with the Dividend Policy, the Board shall consider the certain financial parameters and other internal and external factors before declaring dividend, including but not limited to: operating cash flow of the Company, profit after tax during the year and earnings per share, working capital requirements, capital expenditure requirement, expansion of existing business and entry into new lines of business, likelihood of crystallization of contingent liabilities, if any, debt levels and cost of borrowings, global conditions, dividend pay-out ratio of competitors, etc. Further, the Dividend Policy provides that the retained earnings of the Company may be utilised to make better use of the available funds and increase the value of the stakeholders in the long run.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into, to finance our fund requirements for our business activities.

Except as disclosed below, our Company has not declared any dividends during the last three Fiscals, and in the current Fiscal until the date of this Prospectus, on the Equity Shares:

Particulars	From April 1, 2021 till the date of the Prospectus	For the Fiscal		
		2021	2020	2019
Face value per share (in ₹)	10	10	10	10
Rate of Dividend (%)	15.30	24.50	18.00	16.00
Dividend per Equity Share (in ₹)	1.53	2.45	1.80	1.60
Equity dividend (₹ in million)	226.44	362.60	266.40	236.80
Tax on equity dividend (₹ in million)	-	-	54.76	48.67
Mode of payment	Bank transfer	Bank transfer	Bank transfer	Bank transfer

Note: *Dividend per Equity Share is calculated as dividend paid divided by total number of Equity Shares outstanding as at the end of the year.*

The past trend in relation to our payment of dividends is not necessarily indicative of our dividend trend or dividend policy, in the future, and there is no guarantee that any dividends will be declared or paid in the future. For details in relation to the risk involved, see "*Risk Factors – 36. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements*" on page 53.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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B S R & Co. LLP
Chartered Accountants

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Nesco IT Park 4, Nesco Center,
Western Express Highway, Goregaon (East),
Mumbai – 400 063

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Independent Auditor's Examination Report on Restated Consolidated Financial Information

The Board of Directors
CMS Info Systems Limited
T-151, 5th Floor, Tower No. 10
Railway Station Complex, Sector-11
CBD Belapur
NAVI MUMBAI 400 614

Dear Sirs

1) We have examined, the attached Restated Consolidated Financial Information of CMS Info Systems Private Limited (the "Company" or the "Holding Company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") comprising the Restated Consolidated Statement of Assets and Liabilities as at 31 August 2021, 31 March 2021, 31 March 2020 and 31 March 2019, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the five month period ended 31 August 2021 and for the years ended 31 March 2021, 31 March 2020, 31 March 2019, and the statement of significant accounting policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 28 October 2021 for the purpose of inclusion in the Red Herring Prospectus ("RHP") and Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

   (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");

   (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

   (c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2) The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the RHP and Prospectus to be filed with Securities and Exchange Board of India ("SEBI"), the stock exchanges where the equity shares of the Company are proposed to be listed ("Stock Exchanges") and the Registrar of Companies, Maharashtra, situated at Mumbai ("RoC"), in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company as per the basis of preparation stated in Note 2(a) of Annexure V to the Restated Consolidated Financial Information.

   The respective Board of Directors of the companies included in the Group responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors of the companies are also responsible for identifying and ensuring that the Group complies with the Act, the ICDR Regulations and the Guidance Note.

3) We have examined such Restated Consolidated Financial Information taking into consideration:

   (a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 8 September 2021, in connection with the proposed IPO of equity shares of the Company;

   (b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

   (c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and

   (d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed IPO of equity shares of the Company.

4) These Restated Consolidated Financial Information have been compiled by the management from

   a) audited special purpose consolidated interim financial statements of the Group as at and for the five month period ended 31 August 2021, prepared in accordance with recognition and measurement principles of Indian Accounting Standards (referred to as "Ind AS") specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India (the "special purpose consolidated interim financial statements") which have been approved by the Board of Directors at their meeting held on 28 October 2021.

   b) The audited consolidated financial statements of the Group as at and for the years ended 31 March 2021, 31 March 2020 and 31 March 2019, prepared in accordance with Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India (the consolidated financial statements"), which have been approved by the Board of Directors at their Board meetings held on 25 May 2021, 26 August 2020 and 1 July 2019 respectively.

5) For the purpose of our examination, we have relied on

   a) Auditor's report issued by us dated 28 October 2021, on the special purpose consolidated interim financial statements of the Group as at and for the five month period ended 31 August 2021 as referred in Paragraph 4(a) above,

   b) Auditors' reports issued by us dated 25 May 2021, 26 August 2020 and 1 July 2019 on the consolidated financial statements of the Group as at and for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 as referred in paragraph 4(b) above.

   c) Examination report of other auditor (JMT & Associates) who has audited the special purpose financial information of five subsidiaries included in the Group listed in Annexure A(ii) for the five month period ended 31 August 2021 and the year ended 31 March 2021, prepared in accordance with Ind AS for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to the proposed IPO, since the statutory auditor of these subsidiaries, Basant Jain & Associates LLP, does not hold a peer review certificate.

6) As indicated in our audit reports referred in paragraph 5 above, we did not audit the financial statements of five subsidiaries included in the Group as listed in Annexure A(i), whose share of total assets, total revenues (including other income), net cash inflows / (outflows) (before consolidated adjustments) included in the consolidated financial statements, for the relevant period / years is tabulated below:

(Rs. in million)

Particulars	**As at and for the five month period ended 31 August 2021**	**For the years ended**		
		31 March 2021	**31 March 2020**	**31 March 2019**
In respect of subsidiaries:				
Total assets	2,125.66	1,959.97	2,220.70	2,248.22
Total revenues (including other income)	1,145.81	2,590.60	3,127.50	3,180.61
Net cash inflows/ (outflows)	(59.60)	(239.11)	(48.18)	(48.58)

These financial statements have been audited by other auditors as mentioned in Annexure A(i) and whose reports have been furnished to us by the Company's management and our audit opinions for the relevant years on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these components for the relevant period / years, are based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements is not modified in respect of these matters.

7) The other auditor (JMT & Associates) of the five subsidiaries, as mentioned in Annexure A(ii), has examined the restated financial information for the five month period ended 31 August 2021 and for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 and has audited the special purpose interim financial information of these five subsidiaries for the five month period ended 31 August 2021 and for the year ended 31 March 2021, prepared in accordance with Ind AS for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to the proposed IPO and has confirmed that the restated financial information:

a. has been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2021, 31 March 2020 and 31 March 2019 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the five month period ended 31 August 2021;

b. does not contain any qualifications requiring adjustments. However, those qualifications in the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, which do not require any corrective adjustments in the Restated Consolidated Financial Information have been disclosed in Annexure VII to the Restated Consolidated Financial Information; and

c. has been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8) Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination report submitted by the other auditor for the respective years/ period, we report that the Restated Consolidated Financial Information:

   a. have been prepared after incorporating adjustments for the change in accounting policies and regrouping / reclassifications retrospectively in the financial years ended 31 March 2021, 31 March 2020 and 31 March 2019 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the five month period ended 31 August 2021;

   b. does not contain any qualifications requiring adjustments. However, those qualifications in the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, which do not require any corrective adjustments in the Restated Consolidated Financial Information have been disclosed in Annexure VII to the Restated Consolidated Financial Information; and

c. have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.

9) The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated financial statements mentioned in paragraph 4 above.

10) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

11) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12) Our report is intended solely for use of the Board of Directors for inclusion in the RHP and Prospectus to be filed with SEBI, Stock exchanges and RoC in connection with the proposed IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

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

Koosai Lehery
Partner
Membership No.: 112399
ICAI UDIN : 21112399AAAAEB7701

Place: Mumbai
Date: 28 October 2021

Annexure A

(i) Details of entities for the period / years not audited by us and name of the statutory auditor for the respective year

Particulars	**Nature of relation**	**Year/ Period Ended**	**Name of the Auditor**
Securitrans India Private Limited	Subsidiary	31 March 2021 31 March 2020 31 March 2019	Basant Jain & Associates LLP
CMS Marshall Limited	Subsidiary	31 March 2021 31 March 2020 31 March 2019	Basant Jain & Associates LLP
CMS Security Limited	Subsidiary	31 March 2021 31 March 2020 31 March 2019	Basant Jain & Associates LLP
CMS Employee Welfare Trust	Subsidiary	31 March 2021 31 March 2020 31 March 2019	Basant Jain & Associates LLP
Quality Logistics Services Private Limited	Subsidiary	31 March 2021 31 March 2020 31 March 2019	Basant Jain & Associates LLP
Securitrans India Private Limited CMS Marshall Limited CMS Security Limited CMS Employee Welfare Trust Quality Logistics Services Private Limited	Subsidiary	31 August 2021	JMT & Associates

(ii) Details of entities for the period / years the restated financial information have been examined by other auditor

Particulars	Nature of relation	Year/ Period Ended	Name of the Auditor
Securitrans India Private Limited	Subsidiary	31 August 2021 31 March 2021 31 March 2020 31 March 2019	JMT & Associates
CMS Marshall Limited	Subsidiary	31 August 2021 31 March 2021 31 March 2020 31 March 2019	JMT & Associates
CMS Security Limited	Subsidiary	31 August 2021 31 March 2021 31 March 2020 31 March 2019	JMT & Associates
CMS Employee Welfare Trust	Subsidiary	31 August 2021 31 March 2021 31 March 2020 31 March 2019	JMT & Associates
Quality Logistics Services Private Limited	Subsidiary	31 August 2021 31 March 2021 31 March 2020 31 March 2019	JMT & Associates

CMS Info Systems Limited
Annexure I
Restated Consolidated Statement of Assets and Liabilities

(Amount in million)

Sr. No.	Particulars	Notes to Annexure VI	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
			₹	₹	₹	₹
	ASSETS					
A	**Non-current assets**					
	Property, plant and equipment	1	2,221.02	1,897.00	1,206.13	803.52
	Capital work-in-progress	20	187.54	226.81	28.86	4.01
	Right-of- use assets	2a	1,401.00	1,210.79	838.59	812.74
	Goodwill	2	2,033.63	2,033.63	2,033.63	2,033.63
	Other Intangible assets	2	161.93	189.54	183.36	164.23
	Intangible assets under development	20	1.99	4.66	10.47	21.48
	Financial assets					
	Investments	3	0.08	0.08	0.08	0.08
	Other financial assets	4	245.22	259.07	246.49	280.21
	Deferred tax assets (net)	5	334.05	247.83	272.96	337.68
	Income tax assets (net)		-	99.34	196.54	249.26
	Other non-current assets	4	302.20	146.11	113.70	58.42
	Total of Non-current assets		**6,888.66**	**6,314.85**	**5,130.81**	**4,765.26**
B	**Current assets**					
	Inventories	6	564.97	894.73	430.44	416.38
	Financial assets					
	Investments	3	615.29	1,122.55	566.23	115.70
	Trade receivables	7	5,553.67	5,007.19	4,486.15	3,905.95
	Cash and cash equivalents	8	898.16	1,335.14	1,591.30	1,220.34
	Bank balances other than above	8	407.44	610.34	314.19	171.68
	Other financial assets	4	58.71	40.89	27.74	17.76
	Other current assets	4	793.96	792.42	780.53	313.97
	Total of Current assets		**8,892.20**	**9,803.25**	**8,196.57**	**6,161.78**
	Total (A + B)		**15,780.86**	**16,118.10**	**13,327.38**	**10,927.04**
	EQUITY AND LIABILITIES					
C	**Equity and liabilities**					
	Equity					
	(a) Equity share capital	9 (a)	1,480.00	1,480.00	1,480.00	1,480.00
	(b) Other equity	9 (b)	9,113.69	8,364.76	7,023.91	5,978.98
	Total equity attributable to equity holders		**10,593.69**	**9,844.76**	**8,503.91**	**7,458.98**
D	**Non-current liabilities**					
	(a) Financial liabilties					
	(i) Lease Liabilities	22	1,105.63	945.38	633.66	599.12
	(b) Provisions	11	195.16	191.01	190.96	168.24
	Total of Non-current liabilities		**1,300.79**	**1,136.39**	**824.62**	**767.36**
E	**Current liabilities**					
	(a) Financial liabilities					
	(i) Lease liabilities		366.88	320.97	231.50	243.49
	(ii) Trade payables	10				
	Dues of micro enterprises and small enterprises		51.83	45.27	100.37	11.09
	Dues of creditors other than micro enterprises and small enterprises		2,284.58	3,016.28	2,569.14	1,615.83
	(iii) Other financial liabilities	10	847.83	1,410.44	613.38	593.54
	(b) Other current liabilities	10	229.81	314.77	457.74	193.60
	(c) Provisions	11	29.83	29.22	26.72	43.15
	(d) Income tax liabilities (net)		75.62	-	-	-
	Total of Current liabilities		**3,886.38**	**5,136.95**	**3,998.85**	**2,700.70**
	Total (C+D+E)		**15,780.86**	**16,118.10**	**13,327.38**	**10,927.04**

Note:
The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial Information appearing in Annexure VII.

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

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

Koosai Lehery
Partner
Membership No.: 112399

Ashish Agrawal
Director
DIN No.: 00163344
Place : Mumbai

Rajiv Kaul
Whole Time Director
and Chief Executive Officer
DIN No.: 02581313
Place : Mumbai

Pankaj Khandelwal
Chief Financial Officer
Place : Mumbai

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

Mumbai
28 October 2021

CMS Info Systems Limited
Annexure II
Restated Consolidated Statement of Profit and Loss

(Amount in million)

Sr. No.	Particulars	Notes to Annexure VI	For the period ended	For the year ended		
			August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
			₹	₹	₹	₹
F	**Income**					
	Revenue from operations	12	6,262.94	13,060.90	13,832.38	11,461.59
	Other income	13				
	Finance income		16.12	59.19	29.28	14.38
	Others		18.17	99.12	21.28	117.22
	Total income		**6,297.23**	**13,219.21**	**13,882.94**	**11,593.19**
G	**Expenses**					
	Purchase of traded goods	14	432.68	2,069.54	1,814.60	1,005.60
	Decrease / (Increase) in inventories	15	280.10	(273.06)	98.58	(113.90)
	Employee benefit expenses	16	904.93	2,015.84	2,193.53	2,134.78
	Finance costs	17	50.73	82.32	73.15	74.49
	Depreciation and amortisation expense	1 & 2	345.88	634.55	565.87	537.15
	Other expenses	18	3,148.58	6,312.52	7,186.61	6,455.78
	Total expenses		**5,162.90**	**10,841.71**	**11,932.33**	**10,093.90**
H	**Profit before tax**		**1,134.33**	**2,377.50**	**1,950.61**	**1,499.29**
	Tax expense					
	Current tax		376.30	654.46	540.83	542.60
	Adjustment of tax relating to earlier period / years		-	11.90	5.21	(1.40)
	Deferred tax (credit) / charge		(86.67)	25.91	57.48	(3.32)
	Total tax expense		**289.63**	**692.27**	**603.52**	**537.88**
I	**Profit for the period / year attributable to equity shareholders**		**844.70**	**1,685.23**	**1,347.09**	**961.41**
J	**Other comprehensive income ('OCI')**					
	Items that will not be reclassified subsequently to the statement of profit or loss					
	Remeasurement gains / (losses) on defined benefit plans		0.63	(2.20)	(14.11)	(1.18)
	Income tax effect		(0.44)	0.81	2.86	(0.23)
	Other Comprehensive income for the period / year, net of tax		**0.19**	**(1.39)**	**(11.25)**	**(1.41)**
K	**Total Comprehensive Income for the period / year**		**844.89**	**1,683.84**	**1,335.84**	**960.00**

Earning per equity share (nominal value of share ₹ 10)

Basic	19	**5.71**	**11.39**	**9.10**	**6.50**
Diluted		**5.49**	**11.09**	**8.87**	**6.33**

Note:
The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

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and Chief Executive Officer
DIN No.: 02581313
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Pankaj Khandelwal
Chief Financial Officer
Place : Mumbai

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

Mumbai
28 October 2021

CMS Info Systems Limited
Annexure III
Restated Consolidated Statement of Changes in Equity

(Amount in million)

Particular	Equity share capital	Reserve and surplus				Total equity
		Securities premium	Share based payment reserve	Capital redemption reserve	Retained earnings	
	₹	₹	₹	₹	₹	₹
As at April 1, 2018	1,480.00	42.87	333.08	150.50	4,734.74	6,741.19
Profit for the year	-	-	-	-	961.41	961.41
Other comprehensive income	-	-	-	-	(1.41)	(1.41)
Total Comprehensive income	-	-	-	-	960.00	960.00
Employee stock option compensation cost	-	-	43.26	-	-	43.26
Dividend Paid (including dividend distribution tax ₹ 48.67 million)	-	-	-	-	285.47	285.47
As at March 31, 2019	1,480.00	42.87	376.34	150.50	5,409.27	7,458.98
Ind AS 116 transition adjustment (Refer Annexure VII)	-	-	-	-	19.77	19.77
As at April 01, 2019					5,429.04	7,478.75
Profit for the year	-	-	-	-	1,347.09	1,347.09
Other comprehensive income	-	-	-	-	(11.25)	(11.25)
Total Comprehensive income	-	-	-	-	1,335.84	1,335.84
Employee stock option compensation cost	-	-	10.48	-	-	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	386.82	150.50	6,443.72	8,503.91
Profit for the year	-	-	-	-	1,685.23	1,685.23
Other comprehensive income	-	-	-	-	(1.39)	(1.39)
Total Comprehensive income	-	-	-	-	1,683.84	1,683.84
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	406.43	150.50	7,764.96	9,844.76
Profit for the period	-	-	-	-	844.70	844.70
Other comprehensive income	-	-	-	-	0.19	0.19
Total Comprehensive income	-	-	-	-	844.89	844.89
Employee stock option compensation cost	-	-	(4.20)	-	-	(4.20)
Dividend Paid	-	-	-	-	91.76	91.76
As at August 31, 2021	1,480.00	42.87	402.23	150.50	8,518.09	10,593.69

Notes:
The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

For B S R & Co. LLP
Chartered Accountants
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For and on behalf of the Board of Directors of
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Ashish Agrawal
Director

DIN No.: 00163344
Place : Mumbai

Rajiv Kaul
Whole Time Director
and Chief Executive Officer
DIN No.: 02581313
Place : Mumbai

Pankaj Khandelwal
Chief Financial Officer

Place : Mumbai

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

Mumbai
28 October 2021

CMS Info Systems Limited
Annexure IV
Restated Consolidated Statement of Cash Flows

(Amount in million)

Sr. No.	Particulars	For the period ended August 31, 2021	For the year ended March 31, 2021	March 31, 2020	March 31, 2019
		₹	₹	₹	₹
A	**Cash flow from operating activities:**				
	Profit before tax	1,134.33	2,377.50	1,950.61	1,499.29
	Adjustments to reconcile profit before tax to net cash flow:				
	Depreciation and amortisation on Property,plant and equipment and Intangible asset	224.44	412.97	357.44	342.18
	Depreciation on Right-of-use assets	121.44	221.58	208.43	194.96
	Unrealised foreign exchange (gain) / loss	(1.04)	(3.32)	1.73	(8.94)
	Lease rent concession	-	(20.07)	-	-
	Impairment allowance for bad and doubtful receivables and deposits	287.00	206.00	133.60	235.55
	Advances written off	-	-	88.17	-
	Bad debts written off	3.33	222.78	387.48	50.32
	Debit balance written off	13.01	1.08	4.69	-
	(Profit) on disposal of property, plant and equipment (net)	(1.64)	(1.40)	(3.73)	(3.72)
	Sundry balances written back	-	(52.76)	(0.29)	(51.17)
	Impairment for doubtful claims receivables	4.33	-	33.76	14.01
	Bad debts written back	-	-	-	(3.33)
	Insurance claims recievables written off	2.12	0.79	-	-
	Finance income	(16.12)	(53.06)	(20.28)	(14.38)
	Profit on sale of current investments	(8.36)	(7.65)	(12.92)	(30.83)
	Net change in fair value of current investments measured at FVTPL	(4.90)	(3.91)	(4.28)	(1.53)
	Employee stock option compensation cost	(4.20)	19.61	10.48	43.26
	Finance costs	50.73	82.32	73.15	74.49
	Operating profit before working capital changes	**1,804.46**	**3,402.46**	**3,208.04**	**2,340.16**
	Movement in working capital				
	(Decrease) / Increase in trade payables and other liabilities	(866.13)	282.54	1,325.08	351.95
	Increase / (Decrease) in provisions	5.38	0.35	(7.81)	24.42
	Decrease / (Increase) in inventories	329.76	(464.29)	(14.06)	(179.91)
	(Increase) in trade receivables	(836.80)	(949.82)	(1,101.28)	(909.91)
	(Increase) / Decrease in other assets and prepayments	(153.73)	152.34	(775.13)	(7.97)
	Cash flow generated from operations	**282.95**	**2,423.58**	**2,634.84**	**1,618.74**
	Direct taxes paid (net of refunds)	(201.34)	(569.16)	(493.28)	(600.93)
	Net cash flow from operating activities (A)	**81.61**	**1,854.42**	**2,141.56**	**1,017.81**
B	**Cash flow from investing activities:**				
	Proceeds from sale of property, plant and equipment	2.21	49.09	4.29	3.98
	Purchase of property, plant and equipment,Intangible assets (including CWIP and capital advances)	(990.45)	(550.86)	(835.98)	(313.08)
	Purchase consideration / Advance paid for acquisition of business	(129.89)	-	-	(391.04)
	Investment in mutual funds	(2,214.88)	(3,356.82)	(3,830.00)	(2,813.82)
	Proceeds from redemption of mutual funds	2,735.40	2,812.05	3,396.66	3,646.34
	Investment in deposits with banks	(127.82)	(2,521.90)	(202.89)	(128.88)
	Proceeds from maturity of deposits with banks (including interest)	454.80	2,075.05	273.50	58.38
	Net cash flow (used in) / from investing activities (B)	**(270.61)**	**(1,493.39)**	**(1,194.42)**	**61.89**
C	**Cash flows from financing activities**				
	Dividend paid	(91.76)	(362.60)	(321.16)	(285.47)
	Finance costs	-	(8.88)	(5.83)	(4.38)
	Finance costs on lease liability	(50.73)	(73.44)	(67.32)	(69.01)
	Payment of principal portion of lease liabilities (Refer note 22 to Annexure VI)	(105.49)	(172.25)	(181.86)	(165.09)
	Net cash flow (used in) financing activities (C)	**(247.97)**	**(617.19)**	**(576.17)**	**(523.95)**
	Net (decrease) / increase in cash and cash equivalents (A+B+C)	**(436.98)**	**(256.16)**	**370.97**	**555.75**
	Cash and cash equivalents at the beginning of the period / year	1,335.14	1,591.30	1,220.33	664.58
	Cash and cash equivalents at the end of the period / year (Refer note below)	**898.16**	**1,335.14**	**1,591.30**	**1,220.33**

CMS Info Systems Limited
Annexure IV
Restated Consolidated Statement of Cash Flows (continued)

(Amount in million)

Sr. No.	Particulars	For the period ended	For the year ended		
		August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
		₹	₹	₹	₹
	Components of cash and cash equivalents:				
	Cash on hand	9.00	6.94	11.71	6.29
	Balance with current accounts	424.72	927.98	708.43	526.58
	In deposits account with original maturity of less than three months	464.44	400.22	871.16	687.46
	Total	**898.16**	**1,335.14**	**1,591.30**	**1,220.33**

Notes:
The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

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

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

Koosai Lehery
Partner
Membership No.: 112399

Ashish Agrawal
Director
DIN No.: 00163344
Place : Mumbai

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Whole Time Director
and Chief Executive Officer
DIN No.: 02581313
Place : Mumbai

Pankaj Khandelwal
Chief Financial Officer
Place : Mumbai

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

Mumbai
28 October 2021

Annexure V: Significant accounting policies

(₹ in million)

1. Corporate Information:

CMS Info Systems Limited (the 'Company' or the 'Holding Company' or the 'Parent') is a Company domiciled in India and 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), the Ultimate Holding Company is Baring Private Equity Asia GP VI Limited 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 and its subsidiaries (together known as the 'Group') 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 Restated Consolidated Financial Information were authorised for issue in accordance with a resolution of the directors on 20 October 2021.

2. Summary of significant accounting policies:

a) Basis of Preparation

The Restated Consolidated Statement of Assets and Liabilities as at 31 August 2021 and as at 31 March 2021, 2020 and 2019, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the five month period ended 31 August 2021 and for the years ended 31 March 2021, 2020 and 2019, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 20 October 2021 for the purpose of inclusion in the Addendum to the Draft Red Herring Prospectus ("Addendum"), Red Herring Prospectus (RHP) and Prospectus (Addendum, RHP and Prospectus collectively referred as the "Offer Documents") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

- Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

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

The Restated Consolidated Financial Information has been extracted by the Management from :-

- Audited special purpose interim Consolidated financial statements of the Group as at and for the five month period ended 31 August 2021 prepared in accordance with recognition and measurement principles of Indian Accounting Standard ("Ind AS"), specified under section 133 of the Act and other accounting principles generally accepted in India (the "special purpose interim consolidated financial statements") which have been approved by the Board of Directors at their meeting held on [ ] October 2021.
- Audited consolidated financial statements of the Group as at and for the years ended 31 March 2021, 2020 and 2019, prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on 25 May 2021, 26 August 2020 and 1 July 2019 respectively.
- There were no changes in accounting policies during the year of these financial statements, except for the accounting of lease arrangements in accordance with IND AS – 116 – 'Leases' – Refer Annexure VII, Note 3a and Note 22 in Annexure VI;
- There were no material amounts which have been adjusted for in arriving at profit of the respective years; and
- Adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited Consolidated Financial Statements of the Group as at and for the five months ended 31 August 2021 has been appropriately made in the respective years.

The Group has given adjustments for lease accounting in accordance with IND AS 116 which came into effect from 1 April 2019 using the modified retrospective approach and all the related figures have been reclassified / regrouped to give effect to the requirements of IND AS 116 , refer Annexure VII – " Statement of Adjustments to the Restated Consolidated Financial Information".

b) Current versus non-current classification

The Group 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

(₹ in million)

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

b. Current versus non-current classification (Continued)

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

The Group 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 Group has identified period of twelve months as its operating cycle.

c. Basis of consolidation and consolidation procedures

The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries as at August 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019.

The list of entities, controlled by the group, which are included in the Consolidated Financial Statements are as under:

Sr. No	Name of entities*	Percentage of ownership interest as at			
		August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
1	Securitrans India Private Limited (‘SIPL·)	100	100	100	100
2	CMS Securitas Limited (‘CSL’)	100	100	100	100
3	CMS Marshall Limited (‘CML’)	100	100	100	100
4	Quality Logistics Services Private Limited	100	100	100	100
5	CMS Securitas Employees Welfare Trust (‘CMS Trust’)	100	100	100	100

* All entities are incorporated and have place of business in India

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

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

c. Basis of consolidation and consolidation procedures: *(Continued)*

All the companies in the Group follow uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent company, i.e., for the five months ended August 31, 2021 and for the year ended on March 31, 2021, March 31, 2020 and March 31, 2019 respectively.

Consolidation procedures:

(i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiaries are based on the amounts of the assets and liabilities recognized in the Consolidated Financial Statements at the acquisition date.

(ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill / capital reserve.

(iii) Eliminate in full intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and Property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS12 applies to temporary differences that arise from the elimination of profits and losses resulting from intra group transactions.

d. 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 in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Such capital work in progress are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Property, plant and equipment are subsequently measured at cost less depreciation and impairment loss.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the Statement of Profit or Loss as incurred. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(₹ in million)

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

d. Property, plant and equipment (*Continued*)

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 Group 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 Group has used the following lives to provide depreciation:

Category	**Useful lives (in years)**
Plant and machinery (as per schedule II of Companies Act, 2013 - 10 years)	7*
Electric installations (as per schedule II of Companies Act, 2013 - 10 years)	5*
Furniture, fixtures and fittings (as per schedule II of Companies Act, 2013 - 10 years)	7*
Vehicles (used for ATM and Cash Management business)	6*
Other vehicles	8
Office equipment	5
Computers servers and peripherals	3 to 6

*The Group, 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.

(₹ in million)

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

e. 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 intangible assets with finite useful lives 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. An impairment loss in respect of goodwill is not subsequently reversed.

f. Impairment of non- financial assets

The Group 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 Group 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. For impairment testing, assets that do not generate independent cash inflow are grouped together into a cash generating unit: (CGU) . 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.

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.

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

f. Impairment of non- financial assets (*Continued*)

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group'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 Group 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 recognized 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.

g. Leases

A new lease standard i.e., Ind AS 116 has been notified to be effective w.e.f. 1 April 2019 which provide guidelines for the accounting of the lease contracts entered in the capacity of a lessee and a lessor. For the purpose of preparation of Restated Consolidated Financial Information, the management has evaluated the impact of change in accounting policies on adoption of Ind AS 116 for each of the year ended 31 March 2020 and 31 March 2019. Hence in these Restated Consolidated Financial Information, Ind AS 116 has been adopted with effect from 01 April 2018 following modified retrospective method (i.e. on 01 April 2018 the Group has measured the lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate and a right-of-use asset at an amount equal to the lease liability).

The effect of adoption Ind AS 116 as at April 1, 2018 is given in notes to accounts, Refer Note 22. The lease liabilities were discounted using the incremental borrowing rate (same as group average borrowing rate) of the group as at April 1, 2018.

The group 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

(₹ in million)

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

g. Leases (*Continued*)

i) Right-of-use assets

The group 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 group recognizes 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 Group and payments of penalties for terminating the lease, if the lease term reflects the group 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.

In calculating the present value of lease payments, the group 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 group 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 group 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 terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

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

h. Inventories

Inventories which are held for sale 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.

i. 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 Group 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.

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 group 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.

(₹ in million)

2. Summary of significant accounting policies: (Continued)

i) Revenue recognition *(Continued)*

Sale of services (*Continued*):

The contract liabilities primarily relate to the advance consideration received from customers for ATM and cash management services and allied operations, for which revenue is recognised over time

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

When the entity has a right to consideration for goods/ services provided to date, however the billing for such goods/ services and its payment will be received after completion of specified activities, the Company recognizes contract asset for the same.

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.

j) Interest income:

For all debt instruments measured 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 or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group 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.

k) Foreign currencies

Transactions in foreign currencies are initially recorded by the respective entities of the Group at their respective 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.

2. Summary of significant accounting policies: (Continued)

l) Retirement and other employee benefits

Retirement benefit in the form of provident fund and employees' state insurance is a defined contribution scheme. The Group has no obligation other than the contribution payable to the provident fund and employees' state insurance. The Group recognises contribution payable to the provident fund and employees' state insurance 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 Group makes contributions to a trust administered and managed by an insurance company to fund the gratuity liability. Under this scheme, the obligation to pay gratuity remains with the Group, although insurance company administers the scheme.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group 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.

Remeasurement 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 Group 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 Group 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 Group 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.

Remeasurement, 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.

Short-term employee benefit:

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g,,under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

2. Summary of significant accounting policies: (Continued)

m) 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 or substantively 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.

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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.

n) 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

2. Summary of significant accounting policies: (Continued)

n) Earnings per share (*Continued*)

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.

o) Provisions

Provisions are recognised when the Group 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.

p) 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 Group 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.

q) 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 overdrafts as they are considered an integral part of the Group's cash management.

2. Summary of significant accounting policies: (Continued)

r) Share based payment

Employees (including senior management) of the Group 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.

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 Group'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 Group or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Statement of Profit and Loss.

s) Fair value measurement

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

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

s) Fair value measurement (*Continued*)

All assets and liabilities for which fair value is measured or disclosed in the Restated Consolidated Financial Information 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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group 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 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 Group 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.

t) 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 Group 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 subsequent classified and measured at:

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

(₹ in million)

2. Summary of significant accounting policies: (Continued)

t) Financial instruments (*Continued*)

Financial asset (*Continued*)

Initial recognition and measurement (*Continued*)

Financial assets are not reclassified subsequent to their recognition, except during the period the group 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.

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 Group 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.

Debt instrument at FVOCI

A debt instrument' is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

a) The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and

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

(₹ in million)

2. Summary of significant accounting policies: (Continued)

t) Financial instruments *(Continued)*

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 Group 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 Group has transferred substantially all the risks and rewards of the asset, or

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

  When the Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group has retained.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost (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 Group'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 profit or loss.

2. Summary of significant accounting policies: (Continued)

t) Financial instruments *(Continued)*

Derecognition ***(Continued)***

Financial liabilities at fair value through profit or loss (*Continued*)

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/ loss are not subsequently transferred to Profit and Loss. However, the Group 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 Group 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 profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 Group 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 or 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.

(₹ in million)

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

t) Financial instruments *(Continued)*

Impairment of financial assets

In accordance with Ind AS 109, the Group 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 claim 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.

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 Group 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.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group expects no significant recovery from the amount written off

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer; or
- a breach of contract such as a default

u. 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 Group 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.

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

u) Business combinations and goodwill (*Continued*)

When the Group 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 Group 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. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group'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.

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.

v) Rounding of amount:

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

w) Cash dividend distribution to equity holders of the parent

The Company recognizes a liability to make cash distributions to equity holders of the parent when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized 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 Group’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.

Significant judgement:

Leases

The application of Ind AS 116 requires group to make judgements and estimates that affect the measurement of right-of-use assets and liabilities. The Group 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 group is reasonably certain not to exercise that option. In assessing whether the group 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 group to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

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

Estimates

Defined benefit plans

The cost of the defined benefit plans and the present value of the defined 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 21 in Annexure VI for sensitivity analysis in relation to this estimate.

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

Significant judgement (*Continued*):

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. 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 Group 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

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.

The impairment indicators, the estimation of expected future cash flows and the determination of the fair value of CGU (including Goodwill) 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 26 in Annexure VI.

Share-based payments

The Group 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 32 in Annexure VI.

Claims receivable

It represents the claims made the Group 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 Group 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 group's historical experiences and recoverability of amount from Insurance companies and others. The Cash loss in transit which is debited to Statement of profit and loss represents loss incurred by the Company which is after considering the impact of such insurance claims receivable (refer note 18 in Annexure VI).

(₹ in million)

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

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

Provision for doubtful receivables

The Group 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.

CMS Info Systems Limited
Annexure VI - Notes to Restated Consolidated Financial Information
Note 1: Property, plant and equipments

(Amount in million)

Particulars	Plant and machinery	Electrical installations	Furniture, fixtures and fittings	Vehicles	Office equipment	Leasehold Improvements	Computers and peripherals	Total
	₹	₹	₹	₹	₹	₹	₹	₹
Gross block value as at April 01, 2018	**385.06**	**60.37**	**203.96**	**1,627.12**	**92.87**	**83.52**	**306.10**	**2,759.01**
Additions during the year	167.57	5.76	30.04	37.86	4.12	32.14	20.26	297.76
Acquisitions through business combinations	8.75	0.22	1.69	15.36	0.11	1.64	0.01	27.78
Deletions during the year	28.49	13.40	36.31	16.50	13.09	-	-	107.80
Gross block value as at March 31,2019	**532.89**	**52.95**	**199.38**	**1,663.84**	**84.01**	**117.30**	**326.37**	**2,976.74**
Additions during the year	152.49	6.23	64.67	415.47	5.80	16.36	43.24	704.26
Deletions during the year	12.28	5.03	11.34	33.29	3.90	-	5.76	71.60
Gross block value as at March 31,2020	**673.10**	**54.15**	**252.71**	**2,046.02**	**85.91**	**133.66**	**363.85**	**3,609.40**
Additions during the year	816.93	1.59	149.09	58.26	4.39	18.95	17.94	1,067.15
Deletions during the year	82.22	10.59	58.73	49.66	6.99	-	0.04	208.23
Gross block value as at March 31,2021	**1,407.81**	**45.15**	**343.07**	**2,054.62**	**83.31**	**152.61**	**381.75**	**4,468.32**
Additions during the period	**424.42**	**1.68**	**68.16**	**2.97**	**0.74**	**9.04**	**7.35**	**514.34**
Deletions during the period	-	-	-	**25.65**	-	-	-	**25.65**
Gross block value as at August 31,2021	**1,832.23**	**46.83**	**411.23**	**2,031.94**	**84.05**	**161.65**	**389.10**	**4,957.03**
Accumulated depreciation as at April 01, 2018	**170.61**	**52.63**	**134.77**	**1,249.37**	**70.74**	**44.95**	**272.89**	**1,995.96**
Depreciation for the year	59.98	3.56	17.86	170.48	6.15	8.59	18.16	284.78
Accumulated depreciation on disposals	28.49	13.40	36.31	16.23	13.09	-	-	107.52
Accumulated depreciation as at March 31,2019	**202.10**	**42.79**	**116.32**	**1,403.62**	**63.80**	**53.54**	**291.05**	**2,173.22**
Depreciation for the year	83.98	3.97	24.06	144.03	9.27	11.36	24.41	301.08
Accumulated depreciation on disposals	12.21	5.03	11.28	32.88	3.88	-	5.75	71.03
Accumulated depreciation as at March 31,2020	**273.87**	**41.73**	**129.10**	**1,514.77**	**69.19**	**64.90**	**309.71**	**2,403.27**
Depreciation for the year	105.97	4.12	27.43	143.99	7.14	11.93	28.00	328.58
Accumulated depreciation on disposals	47.36	10.38	46.64	49.14	6.98	-	0.03	160.53
Accumulated depreciation as at March 31,2021	**332.48**	**35.47**	**109.89**	**1,609.62**	**69.35**	**76.83**	**337.68**	**2,571.32**
Depreciation for the period	**97.32**	**1.65**	**20.65**	**50.48**	**2.71**	**5.81**	**11.14**	**189.76**
Accumulated depreciation on disposals	-	-	-	**25.07**	-	-	-	**25.07**
Accumulated depreciation as at August 31,2021	**429.80**	**37.12**	**130.54**	**1,635.03**	**72.06**	**82.64**	**348.82**	**2,736.01**
Net block as at March 31, 2019	**330.79**	**10.16**	**83.06**	**260.22**	**20.21**	**63.76**	**35.32**	**803.52**
Net block as at March 31, 2020	**399.23**	**12.42**	**123.61**	**531.25**	**16.72**	**68.76**	**54.14**	**1,206.13**
Net block as at March 31, 2021	**1,075.33**	**9.68**	**233.18**	**445.00**	**13.96**	**75.78**	**44.07**	**1,897.00**
Net block as at August 31, 2021	**1,402.43**	**9.71**	**280.69**	**396.91**	**11.99**	**79.01**	**40.28**	**2,221.02**

Note 2 : Goodwill and Intangible assets

(Amount in million)

Particulars	Computer software	Non-compete fees	Customer Contracts	Total Other Intangible assets	Goodwill
	₹	₹	₹	₹	₹
Gross block value as at April 01, 2018	**72.29**	**150.10**	**23.15**	**245.55**	**1,847.68**
Additions during the year	10.03	-	-	10.03	
Acquisitions through business combinations	-	18.00	159.31	177.31	185.95
Gross block value as at March 31,2019	**82.32**	**168.10**	**182.46**	**432.88**	**2,033.63**
Additions during the year	36.37	-	39.12	75.49	-
Gross block value as at March 31,2020	**118.69**	**168.10**	**221.58**	**508.37**	**2,033.63**
Additions during the year	17.44	-	73.13	90.57	-
Gross block value as at March 31,2021	**136.13**	**168.10**	**294.71**	**598.94**	**2,033.63**
Additions during the period	**7.08**	-	-	7.08	-
Gross block value as at August 31,2021	**143.21**	**168.10**	**294.71**	**606.02**	**2,033.63**
Accumulated depreciation as at April 01, 2018	**56.09**	**145.70**	**9.45**	**211.24**	-
Amortisation for the year	10.90	7.16	39.35	57.41	-
Accumulated depreciation as at March 31,2019	**66.99**	**152.86**	**48.80**	**268.65**	-
Amortisation for the year	19.79	3.34	33.23	56.36	-
Accumulated depreciation as at March 31,2020	**86.78**	**156.20**	**82.03**	**325.01**	-
Amortisation for the year	22.18	3.00	59.21	84.39	-
Accumulated depreciation as at March 31,2021	**108.96**	**159.20**	**141.24**	**409.40**	-
Amortisation for the period	8.16	1.26	25.27	34.69	-
Accumulated depreciation as at August 31,2021	**117.12**	**160.46**	**166.51**	**444.09**	-
Net block as at March 31, 2019	**15.33**	**15.24**	**133.66**	**164.23**	**2,033.63**
Net block as at March 31, 2020	**31.91**	**11.90**	**139.55**	**183.36**	**2,033.63**
Net block as at March 31, 2021	**27.17**	**8.90**	**153.47**	**189.54**	**2,033.63**
Net block as at August 31, 2021	**26.09**	**7.64**	**128.20**	**161.93**	**2,033.63**

Note 2a : Right of use of assets

Particulars	Lease property	Total
	₹	₹
Gross block value as at April 01, 2018	766.95	766.95
Additions during the year	240.75	240.75
Gross block value as at April 01, 2019	**1,007.70**	**1,007.70**
Retatement Impact	(246.01)	(246.01)
Gross block value as at April 01, 2019	761.69	761.69
Additions during the year	285.33	285.33
Deletions during the year	-	-
Gross block value as at March 31,2020	**1,047.02**	**1,047.02**
Additions during the year	760.40	760.40
Deletion during the year	218.14	218.14
Gross block value as at March 31,2021	**1,589.28**	**1,589.28**
Additions during the period	**321.20**	**321.20**
Deletion during the period	**28.33**	**28.33**
Gross block value as at August 31,2021	**1,882.15**	**1,882.15**
Accumulated depreciation as at April 01, 2018	-	-
Depreciation charge for the year	194.96	194.96
Accumulated depreciation as at April 01, 2019	194.96	194.96
Retatement Impact	(194.96)	(194.96)
Accumulated depreciation as at April 01, 2019	-	-
Depreciation charge for the year	208.43	208.43
Accumulated depreciation as at March 31, 2020	**208.43**	**208.43**
Depreciation charge for the year	221.58	221.58
Deletion during the year	51.52	51.52
Accumulated depreciation as at March 31, 2021	**378.50**	**378.50**
Depreciation charge for the period	121.44	**121.44**
Deletion during the period	18.78	**18.78**
Accumulated depreciation as at August 31,2021	**481.15**	**481.15**
Net block as at March 31, 2019	**812.74**	**812.74**
Net block as at March 31, 2020	**838.59**	**838.59**
Net block as at March 31, 2021	**1,210.79**	**1,210.79**
Net block as at August 31, 2021	**1,401.00**	**1,401.00**

Depreciation and amortisation expense

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Depreciation	311.19	550.16	509.51	479.74
Amortization	34.69	84.39	56.36	57.41
Recognised in Statement of Profit & Loss	**345.88**	**634.55**	**565.87**	**537.15**

CMS Info Systems Limited
Annexure VI - Notes to Restated Consolidated Financial Information
Note 3: Investments

Non-Current Investments:

Particulars	As at							
	No. of shares				₹ in million			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Investments in equity shares of other companies (unquoted, fully paid up, at fair value through profit and loss)								
Equity shares of ₹ 10 each, fully paid up, in Belapur Railway Station Complex Limited	7,500	7,500	7,500	7,500	0.08	0.08	0.08	0.08
Total	**7,500**	**7,500**	**7,500**	**7,500**	**0.08**	**0.08**	**0.08**	**0.08**

Current Investments:

Particulars	As at							
	No. of units				₹ in million			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Investments in units of unquoted mutual fund (at fair value through profit and loss)								
ICICI Prudential Short term Plan- Growth	99,728	99,728	99,728	99,728	4.98	4.85	4.42	4.02
HDFC Corporate Debt Opportunities Fund Growth	250,520	250,520	250,520	250,520	5.01	4.80	4.37	3.99
Aditya Birla Sun Life Medium term Plan-Growth	166,260	166,260	166,260	166,260	4.61	4.47	4.07	3.95
ICICI Prudential Liquid Fund	259,448	328,174	-	-	80.17	100.01	-	-
ICICI Prudential Overnight Fund	266,832	1,806,813	-	-	30.00	200.52	-	-
ICICI Prudential Ultra short term Fund	1,285,640	10,570,596	-	-	30.01	241.83	-	-
SBI liquid fund	-	77,823	-	-	-	250.72	-	-
SBI Overnight fund	20,613	47,793	-	-	70.00	160.19	-	-
ABSL Money Manager Fund -Growth	-	-	934,082	412,166	-	-	253.06	103.74
ICICI Prudential Overnight Fund	1,348,846	766,644	-	-	151.67	85.08	-	-
ICICI Prudential Ultra short term Fund	6,490,473	877,469	-	-	151.52	20.07	-	-
ICICI Prudential Liquid Fund	196,483	164,108	1,022,211	-	60.71	50.01	300.31	-
SBI Magnum Ultra short term fund	5,551	-	-	-	26.61	-	-	
Total					**615.29**	**1,122.55**	**566.23**	**115.70**

CMS Info Systems Limited
Annexure VI - Notes to Restated Consolidated Financial Information
Note 4: Financial and Other assets

Other non-current financial assets:

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Unsecured, considered good				
Insurance claims receivable	47.22	89.28	118.81	142.53
Balance in fixed deposit accounts with original maturity more than 12 months	0.04	0.04	16.23	28.11
Margin Money deposits (refer note 1 below)	110.03	85.80	19.76	16.71
Deposits	87.93	83.94	91.70	92.85
	245.22	**259.07**	**246.49**	**280.21**
Unsecured, considered doubtful				
Insurance claims receivable	99.67	95.34	107.23	88.07
Deposits	2.33	2.33	2.33	2.33
	102.00	**97.67**	**109.56**	**90.40**
Less: Impairment allowance for doubtful financial asset	(102.00)	(97.67)	(109.56)	(90.40)
Total	**245.22**	**259.07**	**246.49**	**280.21**

Other current financial assets:

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Unsecured, considered good				
Advances to employees	44.64	33.02	22.43	12.81
Accrued Interest	14.07	7.87	5.31	4.95
Total	**58.71**	**40.89**	**27.74**	**17.76**

Note :
1. Margin money deposits with carrying amount of ₹ 69.24 million (March 31,2021 - ₹ 58.14 million; March 31, 2020 - ₹ 11.81 million; March 31, 2019 - ₹ 8.76 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 ₹ 40.79 million (March 31,2021 - ₹ 27.66 million ; March 31, 2020 - ₹ 7.95 million; March 31, 2019 - ₹ 7.95 million) are subject to first charge to secure the facilities for Vaulting and ATM operations.

Other non-current assets:

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Unsecured, considered good				
Advances recoverable in kind or for value to be received (refer note 2 below)	129.89	-	-	-
Capital advances	80.99	75.59	55.55	13.64
Receivable from Government Authorities	47.66	47.66	44.78	44.78
Prepaid expenses	43.66	22.86	13.37	-
	302.20	**146.11**	**113.70**	**58.42**
Unsecured, considered doubtful				
Advances recoverable in kind or for value to be received	-	-	-	1.98
	-	**-**	**-**	**1.98**
Less: Impairment allowance for doubtful advances	-	-	-	(1.98)
Total	**302.20**	**146.11**	**113.70**	**58.42**

Note :
2. The Group has entered into a share purchase agreement dated July 21, 2021 with Hemabh Solutions, Hemalsinh Gohil, Abhijeet Lamture and Hemabh Solutions Private Limited to take over the e-survelliance business. The Group has paid an advance agreegating to ₹ 129.89 million for the same.

Other current assets:

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Unsecured, considered good				
Advances recoverable in kind or for value to be received	202.30	142.40	169.25	171.05
Other advances	-	0.45	-	-
Receivable from Government Authorities	119.68	135.52	114.37	67.37
Prepaid expenses	129.60	155.07	212.58	75.55
Unbilled Revenue (Contract assets) (refer note 37)	342.38	358.98	284.33	-
Total	**793.96**	**792.42**	**780.53**	**313.97**

CMS Info Systems Limited
Annexure VI - Notes to Restated Consolidated Financial Information
Note 5: Deferred Tax

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Deferred tax assets				
Impairment allowance for bad and doubtful receivables and unbilled revenue*	225.46	153.30	120.84	138.37
Impairment allowance for doubtful advances,claims receivables and deposits*	19.92	18.76	27.57	31.18
Provision for employee benefits*	79.57	83.32	101.46	112.86
Depreciation*	-	-	14.16	35.56
Leases*	14.79	13.10	6.70	10.10
Others*	0.24	0.61	2.23	9.61
Deferred tax liabilities				
Depreciation*	(5.93)	(21.26)	-	-
Deferred tax assets (net)	**334.05**	**247.83**	**272.96**	**337.68**

* The movement in Opening and closing Deferred tax assets and liabilities is considered in the Statement of Proft and Loss as given in the table below.

Deferred tax movement

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Opening balance	247.83	272.96	337.68	447.36
Tax during the period / year recognised in Statement of Profit and Loss	86.67	(25.94)	(57.48)	3.32
Tax during the period / year recognised in other comprehensive income	(0.44)	0.81	2.86	(0.23)
Impact on Employee stock option compensation cost adjusted with tax provision	-	-	-	(112.77)
Impact on accont of restatement	-	-	(10.09)	-
Closing balance	**334.05**	**247.83**	**272.96**	**337.68**

Tax reconciliation (Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Accounting profit before income tax	1,134.33	2,377.50	1,950.61	1,499.29
At statutory income tax rate of 25.168% (March 31,2021 : 25.168% , March 31, 2020: 25.168%, March 31, 2019: 34.944%)	285.49	598.37	490.93	524.25
Difference in tax rates between subsidiaries and Holding Company	-	-	-	(7.40)
Effect of change in tax rate	-	-	69.82	-
Effect of non-deductible items under tax laws	4.14	82.00	42.77	22.43
Adjustments of tax relating to earlier years	-	11.90	-	(1.40)
At Effective income tax rate - August 31, 2021: 25.53% , March 31,2021 : 29.12% , March 31, 2020 : 30.94%, March 31, 2019 : 35.88%	**289.63**	**692.27**	**603.52**	**537.88**
Income tax expense reported in the statement of profit and loss	**289.63**	**692.27**	**603.52**	**537.88**

Note 6: Inventories

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Valued at lower of cost and net realisable value				
Traded goods (refer note 1 below)	176.38	456.48	183.42	282.00
Stores and spares	388.59	438.25	247.02	134.38
Total	**564.97**	**894.73**	**430.44**	**416.38**

Note:
1. Trading stock includes stock at ATM sites which are not installed as at August 31, 2021 amounting to ₹ 38.58 million (March 31,2021 - ₹ 285.59 million ; March 31, 2020 - ₹ 63.94 million ; March 31, 2019 - ₹ 87.56 million).

Note 7: Trade Receivables

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Unsecured (Refer note 30 to Annexure VI)				
Unsecured and considered good	3,921.72	3,958.46	3,731.96	2,828.95
Unbilled Revenue (Unsecured and considered good)	2,372.45	1,516.23	1,141.57	1,403.62
Credit Impaired	132.86	118.86	92.86	92.86
	6,427.03	5,593.55	4,966.39	4,325.43
Less : Loss allowance	873.36	586.36	480.24	419.48
Total	**5,553.67**	**5,007.19**	**4,486.15**	**3,905.95**

CMS Info Systems Limited
Annexure VI - Notes to Restated Consolidated Financial Information
Note 8: Cash and Bank balances

(Amount in million)

Particulars	As at			
	Current			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Cash and cash equivalents				
Balances with banks				
On current accounts	424.72	927.98	708.43	526.58
In deposits account with original maturity of less than three months	464.44	400.22	871.16	687.46
Cash on hand	9.00	6.94	11.71	6.29
Total	**898.16**	**1,335.14**	**1,591.30**	**1,220.33**
Other bank balances				
Funds held relating to cash management activity (refer note 1 below)	208.91	69.57	220.58	32.77
In deposits account with original maturity for less than 12 months but more than three month	113.27	450.98	17.08	54.50
Margin money deposits (refer note 2 below)	85.26	89.79	76.53	84.41
Total	**407.44**	**610.34**	**314.19**	**171.68**

Note:

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

2. Margin money deposits with carrying amount of ₹ 67.38 million (March 31,2021 - ₹ 66.25 million ; March 31, 2020 - ₹ 49.91 million; March 31, 2019 - ₹ 50.75 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 ₹ 17.88 million (March 31,2021 - ₹ 23.54 million ; March 31, 2020 - ₹ 26.62 million; March 31, 2019 - ₹ 33.66 million) are subject to first charge to secure the facilities for Vaulting and ATM operations.

CMS Info Systems Limited
Annexure VI - Notes to Restated Consolidated Financial Information
Note 9: Share Capital and Other Equity

9(a) - Share Capital

(Amount in million)

Particulars	As at August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Authorised share capital				
173,000,000 (March 31,2021 - 1,73,000,000 ; March 31, 2020 - 173,000,000 ; March 31, 2019 - 173,000,000) equity shares of ₹ 10 each	1,730.00	1,730.00	1,730.00	1,730.00
1,500,000 (March 31,2021 - 1,500,000 ; March 31, 2020 - 1,500,000 ; March 31, 2019 - 1,500,000) 0.01% Optionally convertible cumulative redeemable preference shares of ₹ 100 each	150.00	150.00	150.00	150.00
Total Authorised share capital	**1,880.00**	**1,880.00**	**1,880.00**	**1,880.00**
Issued, subscribed and fully paid up shares:				
148,000,000 (March 31,2021 - 148,000,000 ; March 31, 2020- 148,000,000 ; March 31, 2019 - 148,000,000) equity shares of ₹ 10 each	**1,480.00**	**1,480.00**	**1,480.00**	**1,480.00**

(a) Reconciliation of the number of shares outstanding at the beginning and end of the period / year

Equity shares	August 31, 2021		March 31, 2021		March 31, 2020		March 31, 2019	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
At the beginning of the period / year	148,000,000	1,480.00	148,000,000	1,480.00	148,000,000	1,480.00	148,000,000	1,480.00
Outstanding at the end of the period / year	148,000,000	1,480.00	148,000,000	1,480.00	148,000,000	1,480.00	148,000,000	1,480.00

(b) Terms and rights attached to equity shares

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

(c) 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

Name of the Shareholder	As at August 31, 2021		As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	No of Shares	% Shareholding	No of Shares	% Shareholding	No of Shares	% Shareholding	No of Shares	% Shareholding
Equity shares of ₹ 10 each fully paid up								
Sion Investment Holdings Pte. Limited (holding company)	148,000,000	100.00%	148,000,000	100.00%	148,000,000	100.00%	148,000,000	100.00%

As per records of the Group, 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.

Dividend

During the period April 01,2021 to August 31,2021 , the Board has paid ₹ 91.76 million interim dividends. The first dividend was declared on May 4, 2021 at the rate of ₹ 0.62 per equity share (6.2% of the face value of ₹ 10 each) The dividend distribution tax on the said dividends is ₹ Nil as the Group has withheld 10% TDS on the Gross dividend and remittance is done net of withholding taxes. The witholding taxes are duly deposited with the Government

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 ₹ 0.88 per equity share (8.8% of the face value of ₹ 10 each). The dividend distribution tax on the said dividends is ₹ Nil as the Group has withheld 10% TDS on the Gross dividend and remittance is done net of withholding taxes. The witholding taxes are duly deposited with the Government.

During the year 2019-20,the Board has paid ₹ 266.40 million interim dividends. The first dividend was declared on May 8, 2019 at the rate of ₹ 0.92 per equity share (9.2% of the face value of ₹ 10 each) and the second dividend was declared on November 20, 2019 at the rate of ₹ 0.88 per equity share (8.8% of the face value of ₹ 10 each). The dividend distribution tax on the said dividends is ₹ 54.76 million.

During the year 2018-19,the Board has paid ₹ 236.80 million interim dividends. The first dividend was declared on June 07, 2018 at the rate of ₹ 0.7 per equity share (7% of the face value of ₹ 10 each) and the second dividend was declared on November 03, 2018 at the rate of ₹ 0.90 per equity share (9% of the face value of ₹ 10 each). The dividend distribution tax on the said dividends is ₹ 48.67 million.

Shares reserved for issue under options
For details of options alloted under employee stock option schemes, refer note 32 of the annexure VI

CMS Info Systems Limited
Annexure VI - Notes to Restated Consolidated Financial Information
Note 9: Share Capital and Other Equity

9(b) - Other Equity

(Amount in million)

Particulars	As at			
	August 31, 2021	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
	₹	₹	₹	₹
Securities premium				
Opening balance	42.87	42.87	42.87	42.87
Closing balance	**42.87**	**42.87**	**42.87**	**42.87**
Share based payment reserve (refer note 32 & 33 to the Annexure VI)				
Opening balance	406.43	386.82	376.34	333.08
Add : Employee stock option compensation cost during the period / year	(4.20)	19.61	10.48	43.26
Closing balance	**402.23**	**406.43**	**386.82**	**376.34**
Capital redemption reserve				
Opening balance	150.50	150.50	150.50	150.50
Closing balance	**150.50**	**150.50**	**150.50**	**150.50**
Retained earnings				
Opening balance	7,764.96	6,443.72	5,409.27	4,734.74
Ind AS 116 transition adjustment (Refer Annexure VII)	-	-	19.77	-
Add: Net profit after tax transferred from Statement of Profit and Loss	844.70	1,685.23	1,347.09	961.41
Less: Dividend Paid	(91.76)	(362.60)	(321.16)	(285.47)
Less: Other comprehensive income	0.19	(1.39)	(11.25)	(1.41)
Closing balance	**8,518.09**	**7,764.96**	**6,443.72**	**5,409.27**
Total	**9,113.69**	**8,364.76**	**7,023.91**	**5,978.98**

Nature and purpose of reserves

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.

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.

Capital Redemption Reserve: The Group 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

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

CMS Info Systems Limited
Annexure VI - Notes to Restated Consolidated Financial Information
Note 10: Financial Liabilites and Other Liabilities

A. Trade Payable and Other Financial Liabilities (Current) :

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Trade Payables (Refer note 25 to Annexure VI)				
Dues of micro enterprises and small enterprises	51.83	45.27	100.37	11.09
Dues of creditors other than micro enterprises and small enterprises	1,150.79	2,010.52	1,612.34	745.88
Accued Expenses	1,133.79	1,005.76	956.80	869.95
Total	**2,336.41**	**3,061.55**	**2,669.51**	**1,626.92**
Other Financial Liabilities (current)				
Capital creditors	390.78	896.33	76.83	77.27
Payable to employees	448.52	481.73	526.69	506.41
Claims payable	-	-	9.86	9.86
Others	8.53	32.38	-	-
Total	**847.83**	**1,410.44**	**613.38**	**593.54**
Lease Liabilities	366.88	320.97	231.50	243.49
Total	**366.88**	**320.97**	**231.50**	**243.49**

B. Other Liabilities (Current) :

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Statutory liabilities	148.98	168.62	248.53	193.54
Unearned revenue (contract liability) (refer note 37)	80.83	146.15	209.21	0.06
Total	**229.81**	**314.77**	**457.74**	**193.60**

Note 11 : Provisions (Non-Current)

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Provision for employee benefits				
For gratuity *	144.31	140.82	142.89	126.46
For compensated absences *	50.85	50.19	48.07	40.78
Other provisions				
Provision for warranty **	-	-	-	1.00
Total	**195.16**	**191.01**	**190.96**	**168.24**

Note 11 : Provisions (Current)

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Provision for employee benefits				
For gratuity *	16.11	15.98	16.10	13.94
For compensated absences *	13.72	13.24	10.62	10.65
Other provisions				
Provision for warranty **	-	-	-	18.56
Total	**29.83**	**29.22**	**26.72**	**43.15**

* Refer Note 21 to Annexure VI
** Refer Note 31 to Annexure VI

Note 12 : Revenue from Operations

(Amount in million)

Particulars	For the period ended	For the year ended		
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Revenue from operations:				
Sale of ATM and ATM Sites	620.43	1,622.83	1,354.53	664.09
Sale of products	252.54	683.02	1,198.50	436.99
Sale of services	5,389.97	10,755.05	11,279.35	10,360.51
Revenue from operations	**6,262.94**	**13,060.90**	**13,832.38**	**11,461.59**

(Amount in million)

Particulars	For the period ended	For the year ended		
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Details of products sold				
ATM Spares and related Products	197.81	536.34	1,110.31	316.76
Cards	53.98	143.70	76.81	118.62
Others	0.75	2.98	11.38	1.61
Total	**252.54**	**683.02**	**1,198.50**	**436.99**

(Amount in million)

Particulars	For the period ended	For the year ended		
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Details of services rendered				
ATM and Cash management services	4,467.56	8,961.26	9,776.45	8,921.70
AMC services	812.09	1,478.86	1,145.94	973.46
Card Personalisation	110.32	314.93	356.96	465.35
Total	**5,389.97**	**10,755.05**	**11,279.35**	**10,360.51**

Note 13 : Other Income and Finance Income

(Amount in million)

Particulars	For the period ended	For the year ended		
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
I. Finance Income				
Interest income on				
Bank deposits	15.14	53.06	16.82	10.51
Financial assets measured at amortised cost using 'EIR' basis	0.98	3.81	3.46	2.81
Income Tax refund	-	2.32	9.00	1.06
Sub-Total (A)	**16.12**	**59.19**	**29.28**	**14.38**
II. Other Income				
Sundry credit balances and Liabilities written back	-	52.76	0.29	73.14
Bad debts written back	-	-	-	3.33
Profit on sale of property, plant and equipment (net)	1.64	1.40	3.73	3.72
Foreign exchange gain (net)	3.27	12.29	-	3.47
Profit on sale of current investments	8.36	7.65	12.92	30.83
Net change in fair value of current investments measured at FVTPL	4.90	3.91	4.28	1.53
Lease rent concession	-	20.07	-	-
Miscellaneous income	-	1.04	0.06	1.20
Sub-Total (B)	**18.17**	**99.12**	**21.28**	**117.22**

Note 14: Purchase of traded goods

(Amount in million)

Particulars	For the period ended	For the year ended		
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Purchase of traded goods	432.68	2,069.54	1,814.60	1,005.60
Details of purchases				
ATM and ATM Sites	199.62	1,534.26	899.31	689.40
ATM Spares and related Products	186.63	416.84	859.41	211.86
Cards	46.43	118.44	55.88	104.34
	432.68	**2,069.54**	**1,814.60**	**1,005.60**

Note 15 : Changes in Inventory

(Amount in million)

Particulars	For the period ended	For the year ended		
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Inventories at the end of the period / year				
Traded goods	176.38	456.48	183.42	282.00
Inventories at the beginning of the period / year				
Traded goods	456.48	183.42	282.00	168.10
Decrease / (Increase) in Inventories	**280.10**	**(273.06)**	**98.58**	**(113.90)**

Note 16 : Employee Benefit Expenses

(Amount in million)

Particulars	For the period ended	For the year ended		
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Salaries, wages and bonus	817.50	1,779.35	1,943.44	1,854.28
Contribution to provident and other funds (Refer note 21 to Annexure VI)	62.36	145.59	158.06	151.62
Gratuity expense (Refer note 21 to Annexure VI)	14.18	32.96	33.51	31.93
Share based payments to employees (Refer note 32 and 33 to Annexure VI)	(4.20)	19.61	10.48	43.26
Staff welfare expenses	15.09	38.33	48.04	53.69
Total	**904.93**	**2,015.84**	**2,193.53**	**2,134.78**

Note 17 : Finance cost

(Amount in million)

Particulars	For the period ended	For the year ended		
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Interest on bank overdraft	-	6.82	5.53	4.37
Interest expenses on liabilities measured at amortised cost	-	2.06	0.30	-
Interest on lease liability	50.73	73.44	67.32	69.01
Unwinding of discount on warranty	-	-	-	1.11
Total	**50.73**	**82.32**	**73.15**	**74.49**

CMS Info Systems Limited
Annexure VI - Notes to Restated Consolidated Financial Information
Note 18 : Other Expenses

(Amount in million)

Particulars	For the period ended	For the year ended		
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Service and Security charges	1,309.37	2,651.89	3,036.58	2,868.83
Vehicle maintenance , hire and fuel cost	580.32	1,116.84	1,303.13	1,271.38
Conveyance and traveling expenses	296.96	567.67	792.17	792.53
Consumption of stores and spares	112.71	231.62	234.34	258.16
Legal, professional and consultancy fees	82.44	183.92	172.13	124.99
Annual maintenance charges	135.80	233.59	179.60	140.21
Courier , freight and forwarding charges	52.13	138.61	135.99	111.15
Power and electricity charges	52.60	83.05	80.47	73.91
Insurance	71.25	205.07	137.04	129.22
Communication costs	18.67	38.77	35.98	45.25
Advances written off (Refer Note 36 to Annexure VI)	-	-	88.17	-
Trade receivables written off	3.33	322.67	460.31	275.16
Less : Out of the provision of earlier years	-	(99.89)	(72.83)	(224.84)
Impairment allowance for bad and doubtful receivables and deposits	287.00	206.00	133.60	235.55
Cash disposal charges	51.25	156.01	196.64	37.73
Insurance Claims recievables written off	2.12	12.68	14.60	-
Less : Out of the provision of earlier years	-	(11.89)	(14.60)	-
Impairment allowance for doubtful insurance claims	4.33	-	33.76	14.01
Advances and other Debit balance written off	13.01	1.08	6.67	-
Less : Out of the provision of earlier years	-	-	(1.98)	-
Cash lost in transit (net)	27.02	75.32	23.97	47.76
Repairs and maintenance- Building	-	0.10	3.55	4.69
Repairs and maintenance- Plant and Machinery	-	0.35	0.30	1.07
Repairs and maintenance- Others	13.27	18.42	23.84	14.73
Payment to auditors (Refer note (i) below)				
As auditors:				
Audit fees	4.35	6.57	6.57	6.57
Reimbursement of expenses	-	0.18	0.28	-
Foreign exchange loss (net)	-	-	6.64	-
Expenditure on corporate social responsibility	-	33.40	25.06	42.45
Miscellaneous expenses	30.63	140.49	144.62	185.28
Total	**3,148.58**	**6,312.52**	**7,186.61**	**6,455.78**

Note (i)
During the five months ended August 31,2021 the Group has incurred ₹ 17.82 million (March 31,2021 ₹ Nil , March 31,2020 ₹ Nil , March 31,2019 ₹ Nil) towards service received from the auditors of the Group in relation to the proposed intial public offering. The same is not charged off to the statement of profit and loss and is disclosed in " Other current assets " as recoverable from the Share holders.

Note 19 : Earnings per Share

The following reflects the profit and equity shares data used in the basic and diluted EPS computations:

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Profit for the year attributable to equity shareholders (₹ in million)	844.70	1,685.23	1,347.09	961.41
Weighted average number of equity shares for Basic EPS	148,000,000	148,000,000	148,000,000	148,000,000
Weighted average number of equity shares on account of Employee stock option scheme for dilutive impact	5,845,873	3,914,481	3,907,106	3,949,371
Weighted average number of equity shares for diluted EPS	153,845,873	151,914,481	151,907,106	151,949,371
Earnings Per Share				
Basic (in ₹)	5.71	11.39	9.10	6.50
Diluted (in ₹)	5.49	11.09	8.87	6.33

Note 20 : Capital Work in Progress (including intangible assets under development)
The following reflects the movement of Capital work in progress (including intangible assets under development) for ongoing projects during the period / years:

(Amount in million)

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Opening CWIP as at	231.47	39.32	25.49	6.67
(+) Additions during the period / year	172.01	230.85	39.32	25.49
(-) Capitalised during the period / year	213.95	38.70	25.49	6.67
Closing CWIP (Including intangible assets under development) as at	**189.53**	**231.47**	**39.32**	**25.49**

The following table represents CWIP (Including intangible assets under development) ageing as at respective period and years end :

(Amount in million)

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Less than 1 year	188.59	230.85	39.31	25.49
1-2 Years	0.94	0.63	0.01	-
Closing CWIP (Including intangible assets under development) as at	**189.53**	**231.47**	**39.32**	**25.49**

The company does not have any CWIP (including intangible assets under development) which is overdue or as exceeded its cost compared to its original plan and hence CWIP (including intangible assets under development) completion schedule is not applicable.

Note 21 : Employee benefits

Defined contribution plan
During the period ended August 31,2021 and years ended March 31, 2021, March 31, 2020 and March 31, 2019 the Group contributed the following amounts to defined contribution plans:

(Amount in million)

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Provident fund and Employees Family Pension Scheme	50.60	119.82	123.28	99.76
Employees' State Insurance Corporation	11.75	25.77	34.78	51.86
Total	**62.36**	**145.59**	**158.06**	**151.62**

Defined benefit plan

As per The Payment of Gratuity Act, 1972, the Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets gratuity on departure at 15 days' salary (last drawn salary) for each completed year of service. The Group (other than Securitrans India Private Limited, where the scheme is managed on an unfunded basis) has purchased an insurance policy to provide for payment of gratuity to the employees.

The Group has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rate in particular, the significant fall in interest rates, which should result in an increase in liability without corresponding increase in the asset.

The following tables summaries the components of benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for the gratuity plan of the Group.

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

(Amount in million)

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Current service cost	10.05	23.15	23.04	21.92
Net interest cost	4.13	9.81	10.47	10.01
Expenses recognised in the Statement of Profit and Loss	**14.18**	**32.96**	**33.51**	**31.93**

Note 21 : Employee benefits (Continued)
Defined contribution plan

Net employee benefits expense (recognised in Other comprehensive income)

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Actuarial losses / (gains)				
- change in demographic assumptions	-	-	(0.05)	-
- change in financial assumptions	2.69	0.61	7.73	1.52
- experience variance (i.e. actual experience vs assumptions)	(2.12)	2.84	5.96	(0.36)
- Return on plan assets, excluding amount recognized in net interest expense	(1.19)	(1.25)	0.46	0.02
Components of defined benefit cost recognised in other comprehensive income	**(0.63)**	**2.20**	**14.11**	**1.18**

Balance Sheet

Details of net benefit obligation and fair value of plan assets:

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Present value of obligation	208.83	202.80	201.03	180.21
Fair value of plan asset	48.41	46.01	42.04	39.81
Net liability	**160.42**	**156.79**	**158.99**	**140.40**

Changes in present value of obligation

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Present value of obligation at the beginning	202.81	201.03	180.21	165.71
Current service cost	10.41	23.15	23.04	21.92
Interest expense	5.34	12.97	13.47	11.91
Re-measurement (gain) / loss arising from				
- change in demographic assumptions	-	-	(0.05)	-
- change in financial assumptions	2.69	0.61	7.73	1.52
- experience variance (i.e actual experience vs assumptions)	(2.12)	2.84	5.96	(0.36)
Benefits paid	(10.29)	(37.79)	(29.33)	(20.49)
Present value of obligation at the end	**208.83**	**202.80**	**201.03**	**180.21**

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

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Fair value of plan assets at the beginning	46.01	42.04	39.81	32.34
Investment income	1.21	2.72	3.00	2.45
Employer's contribution	-	-	-	6.45
Benefits Paid	-	-	(0.31)	(1.41)
Re-measurement gain / (loss) arising from				
Return on plan assets, excluding amount recognised in net interest expense	1.19	1.25	(0.46)	(0.02)
Fair value of plan assets as at the end	**48.41**	**46.01**	**42.04**	**39.81**

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

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Investment with insurer	100%	100%	100%	100%

The Group expects to contribute ₹ Nil (March 31,2021 - ₹ Nil , March 31, 2020 - ₹ Nil, March 31, 2019 - ₹ Nil) to gratuity fund during the annual period beginning after balance sheet date.

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

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Weighted average duration (based on discounted cashflows)	7 to 12 years	7 to 12 years	7 to 12 years	8 to 11 years

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Group's expected cash flows over the future period (on undiscounted basis)				
1 year	19.76	17.82	18.34	18.14
2 to 5 years	72.81	71.06	70.23	69.38
6 to 10 years	84.99	85.16	83.92	81.72
More than 10 years	220.40	220.39	222.04	220.02

Note 21 : Employee benefits (Continued)

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

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Discount rate	6.25% - 6.40%	6.25% - 6.60%	6.25% - 6.60%	7.40% - 7.55%
Salary Growth rate	5%	5%	0% for FY 2021 and 5% there after	5%
Employee Attrition rate				
- Less than 5 years of service	25%	25%	25%	25%
- More than 5 years of service	5%	5%	5%	5% - 10%

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.

A quantitative sensitivity analysis for the significant assumptions on defined benefit obligation as at respective peroid and year ended :

Particulars	As at							
	August 31, 2021		March 31, 2021		March 31, 2020		March 31, 2019	
	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%)	19.38	(16.84)	18.86	(16.38)	18.85	(13.96)	16.03	(13.96)
(% change compared to base due to sensitivity)	9.28%	-8.06%	9.30%	-8.08%	9.38%	-7.75%	8.89%	-7.75%
Salary Growth Rate (-/+1%) (Amount in ₹ million)	(16.88)	19.07	(16.34)	13.45	(16.50)	15.9	(14.14)	15.9
(% change compared to base due to sensitivity)	-8.08%	9.13%	-8.06%	6.63%	-8.21%	8.83%	-7.84%	8.83%
Attrition Rate (-/+ 50% of attrition rates) (Amount in ₹ million)	(2.35)	0.81	(3.05)	1.22	(3.50)	4.13	(7.47)	4.13
(% change compared to base due to sensitivity)	-1.12%	0.39%	-1.50%	0.60%	-1.74%	2.29%	-4.15%	2.29%
Mortality Rate (-/+10% of Mortality rates) (Amount in ₹ million)	(0.06)	0.06	(0.06)	0.06	(0.06)	0.09	(0.09)	0.09
(% change compared to base due to sensitivity)	-0.03%	0.03%	-0.03%	0.03%	-0.03%	0.05%	-0.05%	0.05%

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 Group has provided for leave encashment on the basis of an actuarial valuation carried out by an independent actuary at the end of the period / year.
Amount of ₹ 4.57 million (March 31,2021 15.49 million : March 31, 2020: ₹ 15.64 million , March 31,2019: ₹ 13.04 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 ₹ 50.85 million (March 31,2021 ₹ 50.19 million ; March 31, 2020: ₹ 48.07 million , March 31,2019 : ₹ 40.78 million) and accumulated current liability amount to ₹ 13.72 million (March 31,2021 ₹ 13.24 million ; March 31, 2020: ₹ 10.62 million , March 31,2019 : ₹ 10.64 million).

CMS Info Systems Limited
Annexure VI - Notes to Restated Consolidated Financial Information

Note 22 : Leases

A. In case of assets taken on lease:

Operating lease:
In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying Ind AS 116 'Leases' and amendments to certain Ind AS. For the purpose of Restated Consolidated Financial Information, the Group has adopted Ind AS 116 'Leases' that replaces Ind AS 17 w.e.f 1 April 2018. The nature and effect of the changes as a result of adoption of Ind AS 116 is described below.

Effective April 1, 2018, the group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2018 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 group elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at April 1, 2018. Consequently, the group 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 August 31,2021 , March 31, 2021 , March 31,2020 and March 2019.

(Amount in million)

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Current Lease Liabilities	366.88	320.97	231.50	243.49
Non-current Lease Liabilities	1,105.63	945.38	633.66	599.12
Total	**1,472.51**	1,266.35	865.16	842.61

The following is the movement in lease liabilities as at August 31,2021 , March 31, 2021 , March 31,2020 and March 2019.

(Amount in million)

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Opening Balance as of April 01	1,266.35	865.16	842.61	766.95
Restatement impact	-	-	(80.92)	-
Additions	321.20	760.40	285.33	240.75
Finance cost accrued during the period / year	50.73	73.44	67.32	69.01
Deletions	(9.55)	(166.89)	-	-
Lease rent concession	-	(20.07)	-	-
Payment of lease liability	(156.22)	(245.69)	(249.18)	(234.10)
Closing balance as at	**1,472.51**	**1,266.35**	**865.16**	**842.61**

The table below provides details regarding the contractual maturities of lease liabilities as at August 31,2021 , 31 March 2021 , March 21,2020 and March 31,2019 on an undiscounted basis:

(Amount in million)

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Less than one year	366.88	320.97	250.14	243.49
One to five years	1,163.95	1,044.24	736.69	671.94
More than five years	289.20	296.93	175.21	209.01
Total	**1,820.03**	**1,662.14**	**1,162.04**	**1,124.44**

The following is the movement in Right-of-use assets (which only consists of properties) during the period ended August 31,2021 and years ended 31 March 2021 , March 31,2020 and March 31,2019

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Balance as of 01 April	1,210.79	838.59	812.74	766.95
Re-statement impact	-	-	(51.05)	-
Additions during the period / year	321.20	760.40	285.33	240.75
Deletions during the period / year	(28.33)	(218.14)	-	-
Depreciation during the period / year (including Adjustments of accumulated depreciation on deletions).	(102.66)	(170.06)	(208.43)	(194.96)
Closing balance as at	**1,401.00**	**1,210.79**	**838.59**	**812.74**

The Group 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 is 8.5%.
The outflow on account of lease liabilities for the period ended August 31,2021 is ₹ 156.22 million and for the years ended March 31, 2021 is ₹ 245.69 million. , March 31,2020 is ₹ 249.18 million and March 31,2019 is ₹ 234.10 million.

CMS Info Systems Limited
Annexure VI - Notes to Restated Consolidated Financial Information

Note 22 : Leases

Group as lessor: lease receivables

The Group 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:

(Amount in million)

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Within one year	22.37	18.05	123.80	125.23
After one year but not more than five years	61.17	21.56	72.28	200.24
More than five years	-	-	-	1.20
Total	**83.55**	**39.61**	**196.08**	**326.67**

During the period, the Group has recognized ₹ 36.02 million (March 31,2021 ₹ 116.28 million ; March 31, 2020 - ₹ 123.80 million , March 31,2019 - ₹ 172.17) as income in relation to the above arrangements. These are reported under sale of services (refer note 12 to annexure VI). The above lease rentals are fixed monthly fees.

The following are the details of the fixed assets (consist of Plant and Machinery) given on operating lease:

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Gross block value as	1,788.86	1,322.70	125.06	99.50
Less: Accumulated Depreciation as at	(275.57)	(184.38)	(53.46)	(30.40)
Net block value as at	1,513.29	1,138.32	71.60	69.10
Depreciation for the period / year	91.19	86.69	19.93	15.36

Note 23 : Related Party Disclosures

Related party disclosures prior to eliminations of intra- group transactions, as required by notified Ind-AS 24 - "Related Party Disclosures" are given below:

a) Names of related parties and description of relationship:

Particulars	Name of the related party
1) Related party where controls exist	
Ultimate Holding Company	Baring Private Equity Asia GP VI Limited
Parent of Holding Company	Baring Private Equity Asia VI Holdings Pte. Limited
Entites 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 Securitas Employees Welfare Trust
	CMS Marshall Limited (subsidiary of CMS Securitas Limited)
2) Key management personnel	**Whole Time Director & Chief Executive Officer**
	Mr. Rajiv Kaul (Whole Time Director & Chief Executive Officer)
	Chief Financial Officer
	Mr. Pankaj Khandelwal (Chief Financial Officer)
	Non-Executive Independent Director
	Mr. Gopal Krishna Pillai (upto December 31,2019)
	Mr. Krzysztof Wieslaw Jamroz (upto December 31,2019)
	Ms. Shyamala Gopinath
	Mr. Krishna Mohan Sahani (w.e.f. April 01,2020 & upto March 31,2021)
	Mr. Tapan Ray (w.e.f April 01,2021)
	Non- Executive Non Independent Directors
	Mr. Ashish Agrawal
	Mr. Jimmy Lachmandas Mahtani
	Mr. Krzysztof Wieslaw Jamroz (w.e.f. August 10,2021)
	Company Secretary
	Mr. Praveen Soni

Note 23 : Related Party Disclosures

b) Summary of transactions with the above related parties are as follows:

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Interest Income				
Securitrans India Private Limited	-	4.29	13.11	74.86
Guarantee Income				
Securitrans India Private Limited	1.33	3.20	3.20	3.20
IPO Expenses recoverable				
Sion Investment Holdings Pte. Limited	79.30	-	-	7.09
Service charges				
CMS Marshall Limited	269.21	438.85	434.62	401.42
CMS Securitas Limited	111.29	274.17	286.17	280.75
Securitrans India Private Limited	-	124.74	188.35	47.89
Reimbursement of power and electricity and Maintenance				
CMS Securitas Limited	1.55	3.55	6.09	5.21
Reimbursement of Insurance Charges				
Securitrans India Private Limited	-	17.34	24.65	14.96
Reimbursement of Other Expenses				
Securitrans India Private Limited	148.85	366.07	454.73	-
Loans given during the year				
Securitrans India Private Limited	-	768.44	875.06	616.80
Loans received back during the year				
Securitrans India Private Limited	-	992.41	1,433.47	1,180.99
Remuneration to KMP (short-term employee benefits)				
Mr. Rajiv Kaul	36.88	96.48	66.99	57.82
Mr. Pankaj Khandelwal	5.36	13.21	12.19	12.34
Mr. Gopal Krishna Pillai	-	-	2.10	2.10
Mrs. Shyamala Gopinath	0.88	2.10	2.10	2.10
Mr. Krzysztof Wieslaw Jamroz	0.12	-	2.10	2.10
Mr. Krishna Mohan Sahni	-	2.10	-	-
Mr. Tapan Ray	0.88	-	-	-
Employee stock option compensation cost				
Mr. Rajiv Kaul	6.33	15.69	15.69	15.69
Mr. Pankaj Khandelwal	-	0.32	1.62	3.15
Sitting fees paid to Directors				
Mr. Gopal Krishna Pillai	-	-	0.30	0.40
Mrs. Shyamala Gopinath	0.40	0.40	0.30	0.40
Mr. Krzysztof Wieslaw Jamroz	0.10	-	0.20	0.40
Mr. Tapan Ray	0.40	-	-	-
Mr. Krishna Mohan Sahni	-	0.40	-	-

c) Summary of balance receivable from / (payable to) the above related parties are as follows:

(Amount in million)

Particulars		As at		
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Remuneration payable to KMP (Refer note (i) below)				
Mr. Rajiv Kaul	(24.24)	(34.89)	(35.52)	(18.65)
Mr. Pankaj Khandelwal	(2.00)	(2.78)	(2.63)	(2.46)
Mr. Gopal Krishna Pillai	-	-	-	(0.53)
Mrs. Shyamala Gopinath	(0.88)	(0.53)	(0.53)	(0.53)
Mr. Tapan Ray	(0.88)	-	-	-
Mr. Krzysztof Wieslaw Jamroz	(0.12)	-	-	-
Sitting fees Payable to Directors				
Mr. Gopal Krishna Pillai	-	-	-	(0.10)
Mrs. Shyamala Gopinath	(0.20)	-	(0.10)	(0.10)
Mr. Krzysztof Wieslaw Jamroz	(0.10)	-	-	(0.10)
Mr. Tapan Ray	(0.20)	-	-	-
Balances outstanding at the year end				
Sion Investment Holdings Pte. Limited	79.30	-	-	88.17
CMS Securitas Limited	(58.65)	(63.07)	(64.59)	(43.89)
CMS Marshall Limited	(96.84)	(83.97)	(71.01)	(56.99)
Securitrans India Private Limited	6.81	-	223.96	307.02

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

(ii) IPO expenses recoverable from Sion Investment Holdings Pte. Limited of ₹.88.17 million were written off in the financial year ended March 31,2020

CMS Info Systems Limited
Annexure VI - Notes to Restated Consolidated Financial Information

Note 23 : Related Party Disclosures

Related party disclosures post eliminations of intra- group transactions, as required by notified Ind-AS 24 - "Related Party Disclosures" are given

a) Names of related parties and description of relationship:

Particulars	Name of the related party
1) Related party where controls exist	
Ultimate Holding Company	Baring Private Equity Asia GP VI Limited
Parent of Holding Company	Baring Private Equity Asia VI Holdings Pte. Limited
Entites under common control	Vault Co-Investment Vehicle L.P.
Holding Company	Sion Investment Holdings Pte. Limited
2) Key management personnel	**Whole Time Director & Chief Executive Officer**
	Mr. Rajiv Kaul (Whole Time Director & Chief Executive Officer)
	Chief Financial Officer
	Mr. Pankaj Khandelwal (Chief Financial Officer)
	Non-Executive Independent Director
	Mr. Gopal Krishna Pillai (upto December 31,2019)
	Mr. Krzysztof Wieslaw Jamroz (upto December 31,2019
	Ms. Shyamala Gopinath
	Mr. Krishna Mohan Sahani (w.e.f. April 01,2020 & upto March 31,2021)
	Mr. Tapan Ray (w.e.f April 01,2021)
	Non- Executive Non Independent Directors
	Mr. Ashish Agrawal
	Mr. Jimmy Lachmandas Mahtani
	Mr. Krzysztof Wieslaw Jamroz (w.e.f August 10, 2021)
	Company Secretary
	Mr. Praveen Soni

b) Summary of transactions with the above related parties are as follows:

(Amount in million)

Particulars	For the years ended			
	August 31, 2021	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
	₹	₹	₹	₹
IPO Expenses recoverable				
Sion Investment Holdings Pte. Limited	79.30	-	-	7.09
Remuneration to KMP (short-term employee benefits)				
Mr. Rajiv Kaul	36.88	96.48	66.99	57.82
Mr. Pankaj Khandelwal	5.36	13.21	12.19	12.34
Mr. Gopal Krishna Pillai	-	-	2.10	2.10
Mrs. Shyamala Gopinath	0.88	2.10	2.10	2.10
Mr. Krzysztof Wieslaw Jamroz	0.12	-	2.10	2.10
Mr. Krishna Mohan Sahni	-	2.10	-	-
Mr. Tapan Ray	0.88	-	-	-
Employee stock option compensation cost				
Mr. Rajiv Kaul	6.33	15.69	15.69	15.69
Mr. Pankaj Khandelwal	-	0.32	1.62	3.15
Sitting fees paid to Directors				
Mr. Gopal Krishna Pillai	-	-	0.30	0.40
Mrs. Shyamala Gopinath	0.40	0.40	0.30	0.40
Mr. Krzysztof Wieslaw Jamroz	0.10	-	0.20	0.40
Mr. Tapan Ray	0.40	-	-	-
Mr. Krishna Mohan Sahni	-	0.40	-	-

Note 23 : Related Party Disclosures

c) Summary of balance receivable from / (payable to) the above related parties are as follows:

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Remuneration payable to KMP (Refer note (i) below)				
Mr. Rajiv Kaul	(24.24)	(34.89)	(35.52)	(18.65)
Mr. Pankaj Khandelwal	(2.00)	(2.78)	(2.63)	(2.46)
Mr. Gopal Krishna Pillai	-	-	-	(0.53)
Mrs. Shyamala Gopinath	(0.88)	(0.53)	(0.53)	(0.53)
Mr. Tapan Ray	(0.88)	-	-	-
Mr. Krzysztof Wieslaw Jamroz	(0.12)	-	-	-
Sitting fees Payable to Directors				
Mr. Gopal Krishna Pillai	-	-	-	(0.10)
Mrs. Shyamala Gopinath	(0.20)	-	(0.10)	(0.10)
Mr. Krzysztof Wieslaw Jamroz	(0.10)	-	-	(0.10)
Mr. Tapan Ray	(0.20)	-	-	-
Balances outstanding at the year end				
Sion Investment Holdings Pte. Limited	79.30	-	-	88.17

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

(ii) IPO expenses recoverable from Sion Investment Holdings Pte. Limited of ₹.88.17 million were written off in financial year ended March 31,2020.

CMS Info Systems Limited
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Note 24 :Contingent liabilities and capital commitments

a) Contingent liabilities:

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Claims against the Group not acknowledged as debt				
a) Disputed Customs matters*	92.65	87.91	42.78	42.78
b) Disputed VAT matters*	247.88	247.77	245.89	68.21
c) Disputed Excise matters*	69.03	69.03	69.03	69.03
d) Disputed CST matters *	7.61	6.56	6.30	-
e) Disputed GST matters *	0.82	0.82	28.61	13.56
f) Disputed Service tax matters *	11.21	7.05	-	-
g) Employee litigation matters	12.83	13.25	-	-
i) Disputed Income tax matter	119.57	118.33	-	-
	561.61	**550.72**	**392.61**	**193.58**

Notes:
*In relation to the matters of GST, Service tax, Customs duty, VAT, CST, Income tax, Excise matters and Employee litigation matters as listed above, the Group 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 Group's financial position and results of operations.

b) During the year 2016-17, one of the customers withheld the amount due to Securitrans India Private Limited (“SIPL”), subsidiary of the Company for providing cash replenishment services on account of an alleged instance of misappropriation by two employees of SIPL. Since the parties failed to resolve the dispute amicably, SIPL served a notice of pending dues to the customer on January 17, 2017. SIPL and the customer have appointed their respective arbitrators and the matter is currently pending before arbitration Tribunal and the management is confident of recovering the entire amount. Considering the litigation involved, the Company has provided for doubtful receivables based on the best judgment assessment of the case. The management believes that the provision made in the books is sufficient to cover the liability for loss, if any, which would be confirmed only after the final result of the litigation. Since the matter is under litigation, the disclosures required as per the provisions of Ind AS 37 relating to the provisions made are not given as it is expected to prejudice seriously the position of the Company with regards to the litigation.

c) Capital commitments:

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Estimated amount of contracts remaining to be executed on capital account and not provided for	477.24	548.27	67.61	2.54

d) 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 Group believes, based on legal opinion, that the liability if any, in practice would be from the date of order. Based on such opinion and pending clarification from PF authorities, the Group has recorded the cost prospectively from March 2019.

e) In addition, there are certain civil claims against the Group. The Management is confident, that these will not have any material impact in the financial statement.

Note 25 : Trade Payables

a) Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

The Group has ₹ 51.83 million (March 31,2021 ₹ 45.27 million , March 31, 2020 ₹ 100.37 million , March 31,2019 ₹ 11.09 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 Group. This has been relied upon by the auditors.

	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Particulars	₹	₹	₹	₹
Total outstanding dues of micro enterprises and small enterprises (as per the intimation received from vendors)	51.83	45.27	100.37	11.09
a. Principal and interest amount remaining unpaid		-	-	-
b. Interest paid by the Group 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	-	-	-	-

Particulars	**August 31, 2021**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
MSME Undisputed Dues	₹	₹	₹	₹
Less than 1 year	38.54	33.77	91.91	11.01
1-2 Years	-	-	-	-
2-3 Years	-	-	-	-
More than 3 years	-	-	-	-
Total	**38.54**	**33.77**	**91.91**	**11.01**

Particulars	**August 31, 2021**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
MSME Disputed Dues	₹	₹	₹	₹
Less than 1 year	-	-	-	-
1-2 Years	4.32	7.04	2.72	0.08
2-3 Years	7.92	3.68	5.73	-
More than 3 years	1.05	0.78	-	-
Total	**13.29**	**11.50**	**8.46**	**0.08**

b) Trade Payable Ageing Schedule

Particulars	**August 31, 2021**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Others - Undisputed	₹	₹	₹	₹
Less than 1 year	1,042.61	1,943.12	1,512.45	609.67
1-2 Years	10.53	4.27	34.04	136.21
2-3 Years	43.45	21.90	64.74	-
More than 3 years	54.20	41.23	1.12	-
Accrued Expenses	1,133.79	1,005.76	956.80	869.95
Total	**2,284.57**	**3,016.27**	**2,569.15**	**1,615.83**

Note 26 : Impairment test of Goodwill

Impairment test of Goodwill

Goodwill acquired through business combinations have indefinite lives. Out of the total Goodwill of the Group, the material amount of goodwill is allocated to the following:

a) ₹ 694.25 million (March 31,2021 : ₹ 694.25 million ,March 31, 2020: ₹ 694.25 million , March 31,20219 ₹ 694.25 million), relates to the Cash Management division of the Holding Company.

b) ₹ 1,147.52 million (March 31,2021 : ₹ 1147.52 million , March 31, 2020: ₹ 1,147.52 million , March 31,2019 ₹ 1,147.52 million), relates to one of the subsidiary- "Securitrans India Private Limited".

c) ₹ 185.94 million (March 31,2021: ₹ 185.94 million, March 31, 2020: ₹ 185.94 million , March 31, 2019: ₹ 185.94 million), relates to the acquisition of door step banking business from Checkmate Services Private Limited; also a part of Cash management business.

The Group performed its annual impairment test for years ended March 31, 2021 , March 31,2020 and March 31, 2019 respectively . The Group 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 Group has extrapolated cash flows beyond 5 years using a growth rate of 4% for the year ended March 31, 2021 (March 31,2020: 4% , March 21,2019: 4.5%). 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% , March 31,2019: 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 group'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.

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Note 27 : Business Combinations

On May 01, 2018, the CMS Info Systems Limited acquired the door step banking business of Checkmate Services Private Limited, a Company based in Mumbai for ₹ 361.00 million. The fair values of the identifiable assets as on the date of acquisition were as follows:

Assets acquired and liabilities assumed	**Amount in ₹ million**
Assets	
Vehicles	15.35
Other assets (Plant and machinery, furniture and fixtures and computers etc)	12.43
Business contracts (intangible assets)	129.27
Non-compete fees (intangible assets)	18.00
Total assets acquired	**175.05**
Total purchase consideration	**361.00**
Goodwill on acquisition	**185.95**

If the acquisition had occurred on April 01, 2018 revenue and profit before tax for the year ended March 31, 2019 would have been ₹ 11,480.59 million and ₹ 1,503.29 million respectively.

Note 28 : Expenditure on corporate social responsibility

As per section 135 of the Act, a CSR committee has been formed by the Group. The funds are utilised throughout the year on activities which are specified in Schedule VII of the Act. Gross amount required to be spent by the group during the period is ₹ 17.05 million (March 31,2021 ₹ 31.69 million , March 31,2020 ₹ 26.97 million , March 31,2019 ₹ 20.35 million).

	August 31, 2021			**March 31, 2021**			**March 31, 2020**			**March 31, 2019**		
Amounts spent during the year :-	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total	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	**-**	**-**	**-**	**33.40**	**-**	**33.40**	**25.06**	**-**	**25.06**	**42.44**	**-**	**42.44**

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Note 29 : Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities.
Quantitative disclosures fair value measurement hierarchy as at **(Amount in million)**

Particulars	August 31, 2021				
	Cost	Fair value	Level 1	Level 2	Level 3
	₹	₹	₹	₹	₹
Assets measured at fair value					
FVTPL financial investments					
Investment in unquoted mutual fund units	606.78	615.29	615.29	-	-
Investment in unquoted equity shares	0.08	0.08	-	-	0.08

Particulars	March 31,2021				
	Cost	Fair value	Level 1	Level 2	Level 3
	₹	₹	₹	₹	₹
Assets measured at fair value					
FVTPL financial investments					
Investment in unquoted mutual fund units	1,116.70	1,122.55	1,122.55	-	-
Investment in unquoted equity shares	0.08	0.08	-	-	0.08

Particulars	March 31,2020				
	Cost	Fair value	Level 1	Level 2	Level 3
	₹	₹	₹	₹	₹
Assets measured at fair value					
FVTPL financial investments					
Investment in unquoted mutual fund units	560.50	566.23	566.23	-	-
Investment in unquoted equity shares	0.08	0.08	-	-	0.08

Particulars	March 31,2019				
	Cost	Fair value	Level 1	Level 2	Level 3
	₹	₹	₹	₹	₹
Assets measured at fair value					
FVTPL financial investments					
Investment in unquoted mutual fund units	113.41	115.70	115.70	-	-
Investment in unquoted equity shares	0.08	0.08	-	-	0.08

The fair value for the investments is arrived at with reference to the Net asset value (NAV) of the mutual fund unit 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 insurance receivables, deposit measured at amortised cost is not significantly different in each of the year presented.

Break up of financial assets carried at amortised cost

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Trade receivables	3,181.21	3,490.95	3,344.57	2,502.33
Unbilled revenue	2,372.45	1,516.23	1,141.57	1,403.62
Cash and cash equivalents	898.16	1,335.14	1,591.30	1,220.34
Other bank balances	407.44	610.34	314.19	171.69
Other financial assets	303.93	299.96	274.24	297.97
Total financial assets carried at amortised cost	**7,163.20**	**7,252.63**	**6,665.87**	**5,595.95**

Break up of financial liabilities carried at amortised cost

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
Trade payables	2,336.41	3,061.55	2,669.51	1,626.92
Other financial liabilities	847.83	1,410.44	613.38	593.54
Total financial liabilities carried at amortised cost	**3,184.24**	**4,471.98**	**3,282.89**	**2,220.46**

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.

CMS Info Systems Limited
Annexure VI - Notes to Restated Consolidated Financial Information

Note 30 : Financial risk management objectives and policies

Financial risk management objectives and policies
The Group through it operations is exposed to credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group'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 Group is exposed to credit risk from its operating activities (primarily trade receivables).

Trade receivables
Customer credit risk is managed by the Group's established policy. To minimise the risk from the counter parties the Group enters into financial 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 7 to Annexure VI . The Group does not hold collateral as security.

Credit risk is the risk of financial loss to the Group 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 Group's customer base being large and diverse.

The following table provides information about ageing of gross carrying amount of trade receivable as at respective period and year end:

(Amount in million)

Gross Carrying Amount	**As at**			
	August 31, 2021	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Undisputed Trade recievables -considered good	₹	₹	₹	₹
Less than 6 Months	2,441.84	2,601.54	2,474.34	1,559.68
6 months - 1 year	316.55	399.51	427.29	600.89
1-2 Years	413.33	362.03	309.91	364.20
2-3 Years	112.99	90.08	120.83	37.34
More than 3 years	97.18	76.03	55.34	26.60
Unbilled Revenue	2,372.45	1,516.23	1,141.57	1,403.62
Total	**5,754.35**	**5,045.42**	**4,529.29**	**3,992.33**

(Amount in million)

Gross Carrying Amount	**As at**			
	August 31, 2021	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Disputed Trade recievables -considered good	₹	₹	₹	₹
Less than 6 Months	-	-	-	-
6 months - 1 year	-	-	-	-
1-2 Years	234.91	199.53	159.76	169.40
2-3 Years	135.22	60.69	113.42	66.17
More than 3 years	169.70	169.05	71.06	4.67
Total	**539.83**	**429.27**	**344.24**	**240.24**

(Amount in million)

Gross Carrying Amount	**As at**			
	August 31, 2021	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Disputed Trade recievables -Credit impaired	₹	₹	₹	₹
Less than 6 Months	-	-	-	-
6 months - 1 year	-	-	-	-
1-2 Years	40.00	26.00	-	-
2-3 Years	-	-	-	29.60
More than 3 years	92.86	92.86	92.86	63.26
Total	**132.86**	**118.86**	**92.86**	**92.86**

The above exposure includes three customers which has a good credit rating , whose individual credit exposure exceeds 10% of total trade receivables as at Augut 31,2021 , March 31,2021 , March 31,2020 and March 31,2019.

Movement in allowance of impairment in respect of trade receivables

(Amount in million)

	As at			
Particulars	**August 31, 2021**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Balance as at April 01	586.36	480.25	419.48	414.43
Amounts written off (Net)	-	(99.89)	(72.83)	(228.17)
Net re-measurement of loss allowances	287.00	206.00	133.60	233.22
Balance as at	**873.36**	**586.36**	**480.25**	**419.48**

Security deposits are interest free deposits given by the group 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 ₹ 87.92 million as at August 31,2021 , ₹ 83.94 million as at 31st March 2021 , ₹ 91.70 million as at 31st March 2020 and ₹ 92.85 million as at 31st March 2019.

Other financial asset includes claims receivable, and other receivables (refer note 4 to AnnexureVI). Provision is made where there is significant increase in credit risk of the asset.

Movement in allowance of impairment in respect of other receivables (including insurance claims)

(Amount in million)

	As at			
Particulars	**August 31, 2021**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Balance as at April 01	**97.67**	109.56	90.40	76.39
Amounts written off (Net)	**-**	(11.89)	(14.60)	-
Net re-measurement of loss allowances	**4.33**	-	33.76	14.01
Balance as at March 31	**102.00**	**97.67**	**109.56**	**90.40**

CMS Info Systems Limited
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Note 30 : Financial risk management objectives and policies

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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 Group's reputation.

Management monitors rolling forecasts of the Group'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 Group 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 Group'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 Group 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 respecitve year period / year end.

(Amount in million)

Particulars	August 31, 2021			
	Within 12 months	1 to 5 years	Above 5 years	Total
	₹	₹	₹	₹
Trade and other payables	2,336.41	-	-	2,336.41
Lease Liabilities	366.88	1,105.63	-	1,472.51
Other financial liabilities	847.83	-		847.83
Total	**3,551.12**	**1,105.63**	**-**	**4,656.75**

(Amount in million)

Particulars	March 31,2021			
	Within 12 months	1 to 5 years	Above 5 years	Total
	₹	₹	₹	₹
Trade and other payables	3,061.55	-	-	3,061.55
Lease Liabilities	320.97	945.38	-	1,266.35
Other financial liabilities	1,410.44			1,410.44
Total	**4,792.95**	**945.38**	**-**	**5,738.34**

(Amount in million)

Particulars	March 31,2020			
	Within 12 months	1 to 5 years	Above 5 years	Total
	₹	₹	₹	₹
Trade and other payables	2,669.51	-	-	2,669.51
Lease Liabilities	231.50	633.66		865.16
Other financial liabilities	613.38			613.38
Total	**3,514.39**	**633.66**	**-**	**4,148.05**

Particulars	March 31,2019			
	Within 12 months	1 to 5 years	Above 5 years	Total
	₹	₹	₹	₹
Trade and other payables	1,626.92	-	-	1,626.92
Lease Liabilities	243.49	599.12		842.61
Other financial liabilities	593.54	-	-	593.54
Total	**2,463.95**	**599.12**	**-**	**3,063.07**

Capital management

For the purpose of the Group'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 Group's capital management is to maximize the shareholder value.

The Group 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 Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents. In order to achieve this overall objective, the Group'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 Group does not have any loans outstanding as at August 31,2021 , March 31, 2021 , March 31,2020 and March 31,2019 . 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 period ended Auguat 31,2021 and years ended March 31, 2021 , March 31, 2020 and March 31,2019

Note 31 : Provision for warranty

A provision of ₹ NIL as at August 31, 2021 (March 31,2021 , ₹ NIL March 31, 2020: ₹ NIL, March 31,2019 ₹ 19.56 million) is carried against expected warranty claims on sale of ATM sites and related products as at August 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, 2020 and March 31,2019.

(Amount in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
	₹	₹	₹	₹
At the beginning of the period / year	-	-	19.56	5.37
Arising during the period / year	-	-	-	19.61
Utilised during the period / year	-	-	(19.56)	(6.53)
Unwinding of finance cost	**-**	**-**	**-**	1.11
At the end of the period / year	**-**	**-**	**-**	**19.56**

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Note 32 Employee Stock Options Schemes

The Holding 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	-

Following is the vesting period for grants

Vesting Period	Employee Scheme		CEO Scheme
	Time Based	Performance	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	8.33%	16.66%	-

For options granted under Employee scheme, 21st month vesting will be based on Group / 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 conditions.

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.

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

Particulars	August 31, 2021		March 31, 2021		March 31, 2020		March 31, 2019	
	Employee scheme	CEO Scheme	Employee scheme	CEO Scheme	Employee scheme	CEO Scheme	Employee scheme	CEO Scheme
Outstanding at the beginning of the period / year	3,521,750	9,866,667	3,555,750	9,866,667	3,809,409	9,866,667	4,050,000	9,866,667
Granted during the year (no. of options)	-	-	-	-	125,000	-	-	-
Forfeited / cancelled during the period / year	(392,245)	-	(34,000)	-	(378,659)	-	(240,591)	-
Exercised during the period / year	-	-	-	-	-	-	-	-
Expired during the period / year	-	-	-	-	-	-	-	-
Outstanding at the end of the year	**3,129,505**	**9,866,667**	**3,521,750**	**9,866,667**	**3,555,750**	**9,866,667**	**3,809,409**	**9,866,667**
Weighted average exersice price of Option								
Outstanding at the beginning of the period / year	125	123	125	123	125	123	125	123
Granted during the period / year	-	-	-	-	-	-	-	-
Outstanding at the end of the period / year	125	123	125	123	125	123	125	123
Exercisable at the end of the period / year	-	-	-	-	-	-	-	-
Weighted average fair value of options outstanding (in ₹)	29.34	25.38	29.39	25.38	29.14	25.38	29.80	25.38
Weighted average remaining contractual life (in years)	0.03	-	0.04	-	0.07	-	0.42	-

The Group 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	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Dividend yield (%)	**0%**	**0%**	**0%**	0%
Expected volatility (%)	**25% - 29%**	**25% - 29%**	**25% - 29%**	25% - 29%
Risk–free interest rate (%)	**6%**	**6%**	**6%**	6%
Expected life of share options (years)	**3.7 years**	**3.7 years**	**3.7 years**	3.7 years
Weighted average fair value per share on grant date (in ₹)	**143**	**143**	**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 holding company has allotted employee stock options to some of its employees through its Employee Stock Option Scheme. Over the year's 1,045,495 (in the five months ended August 31,2021: 392,245) stock options has expired and lapsed on account of employees left the organization. Accordingly reversal on account of same for the five months period ended August 31,2021 is recognized in the profit and loss account aggregating to ₹11.19 million. The group has recognized ₹0.66 million (March 31,2021 - ₹4.97 million, March 31, 2020 – ₹ 9.98 million , March 31,2019 ₹ 27.57 million) as employee benefit expense in relation to all the active options outstanding as at respective period and year ends.

Note 33 : Agreement between Promoter 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 ₹ 70.20 million. The proportionate charge recognized during the current year is ₹ 6.33 million (March 31,2021: ₹ 15.69 million , March 31, 2020: ₹ 15.69 million , March 31,2019 ₹ 15.69 million)

CMS Info Systems Limited
Annexure VI - Notes to Restated Consolidated Financial Information
Note 34 : Operating Segment

The segment reporting format is determined to be business segments as the Group’s risks and rates of return are affected predominantly by differences in the products sold and services rendered. The operating businesses are organized and managed separately according to the nature of the products sold and services rendered, with each segment representing a strategic business unit that offers different products and services. For management purposes, the Group is organized into business units based on the nature of services rendered and products sold into the following reportable segments.

a) Cash management services include ATM services; Cash delivery and pick-up, Network cash management services (together known as “Retail cash management services”) and other related services
b) Managed services division includes income from sale of ATM and ATM sites and related products and maintenance services.
c) Card division includes revenue from trading in card and card personalization services.
No operating segments have been aggregated to form the above reportable operating segments. The Board of Directors of the Group monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. However, the Group's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

Finance income and certain finance costs, and fair value gains and losses on financial asset are not allocated to individual segments as the underlying instruments are managed on a Group basis. Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on Group basis. Capital Expenditure consists of addition of property, plant and equipment and intangible assets.

Segment information as below :-

Particulars	**Cash management services**				**Managed services**				**Cards**							
	August 31, 2021	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**	**August 31, 2021**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**	**August 31, 2021**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**	**August 31, 2021**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
(a) Segment Revenue																
External Sales	4,179.58	8,961.25	9,776.45	8,905.51	1,919.06	3,641.01	3,622.16	1,972.11	164.30	458.64	433.77	583.96	6,262.94	13,060.90	13,832.38	11,461.59
Inter-segment Sales	184.47	132.94	67.00	38.51		-	-	-		-	-	-	184.47	132.94	67.00	38.51
Total segment Revenue	4,364.05	9,094.19	9,843.45	8,944.02	1,919.06	3,641.01	3,622.16	1,972.11	164.30	458.64	433.77	583.96	6,447.42	13,193.84	13,899.38	11,500.10
(b) Segment result	985.85	2,039.81	1,666.17	1,403.26	273.03	547.27	634.66	350.89	4.79	37.91	49.83	79.07	1,263.67	2,624.99	2,350.66	1,833.22
Less: Unallocated corporate expenses													(112.89)	(323.48)	(377.47)	(369.05)
Operating Profit													1,150.78	2,301.51	1,973.19	1,464.17
Add: Other Income	7.00	57.11	4.09	47.12	3.03	27.73	-	9.34	0.12	2.04	-	4.92	10.15	86.88	4.09	61.38
Add: Unallocated other income	-	-	-	-	-	-	-	-	-	-	-	-	8.02	12.24	17.16	33.87
Add: Finance income	-	-	-	-	-	-	-	-	-	-	-	-	16.12	59.19	29.33	14.38
Less : Finance costs	11.30	34.98	35.45	42.49	38.00	45.08	34.75	27.32	0.87	0.80	0.13	0.40	50.18	80.87	70.33	70.22
Less: Unallocated finance costs	-	-	-	-	-	-	-	-	-	-	-	-	0.56	1.45	2.82	4.28
Profit before tax													1,134.33	2,377.50	1,950.61	1,499.29
Less: Tax expenses	-	-	-	-	-	-	-	-	-	-	-	-	289.63	692.27	603.51	537.88
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	844.70	1,685.23	1,347.09	961.41
(c) Segment assets	7,373.06	6,463.46	7,514.44	5,773.77	5,368.09	5,701.42	2,464.41	1,757.58	245.82	247.82	283.77	300.31	12,986.97	12,412.70	10,262.62	7,831.66
Unallocated corporate assets		-	-	-		-	-	-		-	-	-	2,793.89	3,705.40	3,064.76	3,095.37
Total Assets	7,373.06	6,463.46	7,514.44	5,773.77	5,368.09	5,701.42	2,464.41	1,757.58	245.82	247.82	283.77	300.31	15,780.86	16,118.10	13,327.38	10,927.03
(d) Segment liabilities	1,925.26	1,844.58	1,978.96	1,930.24	2,778.06	4,027.67	2,117.07	1,063.15	54.76	92.49	131.51	104.17	4,758.08	5,964.74	4,227.54	3,097.56
Unallocated corporate liabilities	-	-	-	-		-	-	-		-	-	-	429.08	308.60	595.86	370.45
Total Liabilities	1,925.26	1,844.58	1,978.96	1,930.24	2,778.06	4,027.67	2,117.07	1,063.15	54.76	92.49	131.51	104.17	5,187.16	6,273.34	4,823.40	3,468.01
(e) Capital Expenditure	40.84	165.16	641.12	473.69	663.29	1,160.17	178.40	169.51	1.67	37.66	25.90	62.02	705.81	1,362.98	845.42	705.22
Unallocated corporate expenditure	-	-	-	-	-	-	-	-	-	-	-	-	5.15	26.21	18.72	9.13
Total capital expenditure	40.84	165.16	641.12	473.69	663.29	1,160.17	178.40	169.51	1.67	37.66	25.90	62.02	710.96	1,389.20	864.14	714.35
(f) Depreciation and amortisation	143.82	368.35	339.36	369.74	182.41	216.64	172.39	123.28	14.09	26.93	24.70	17.40	340.32	611.92	536.45	510.42
Unallocable depreciation and amortisation	-	-	-	-	-	-	-	-	-	-	-	-	5.56	22.63	29.43	26.73
Total depreciation	143.82	368.35	339.36	369.74	182.41	216.64	172.39	123.28	14.09	26.93	24.70	17.40	345.88	634.55	565.87	537.15
(g) Non-cash expenses other than depreciation	237.83	363.07	488.08	268.88	66.25	67.96	77.86	31.00	1.74	0.04	0.73	-	305.83	431.06	566.67	299.88
Unallocable non-cash expenses other than depreciation	-	-	-	-	-	-	-	-	-	-	-	-	(0.24)	19.20	99.43	43.25
Total non-cash expenses other than depreciation	237.83	363.07	488.08	268.88	66.25	67.96	77.86	31.00	1.74	0.04	0.73	-	305.59	450.26	666.10	343.13

a) Revenue for the period ended August 31, 2021 includes revenue from one customer of the Group relating to Cash management services and Managed service segments amounting to ₹ 1,071.24 million representing 17% and another customer amounting to ₹ 1,176.28 million representing 19% of the Group's total revenue.

b) Revenue for the year ended March 31, 2021 includes revenue from one customer of the Group relating to Cash management services and Managed service segments amounting to ₹ 2,024.42 million representing 15% and another customer amounting to ₹ 2,183.38 million representing 17% of the Group's total revenue.

c) Revenue for the year ended March 31, 2020 includes revenue from one customer of the Group relating to Cash management services and Managed service segments amounting to ₹ 1,628.88 million representing 12% and another customer amounting to ₹ 2,891.91 million representing 21% of the Group's total revenue.

d) Revenue for the year ended March 31, 2019 includes revenue from one customer of the Group relating to Cash management services and Managed service segments amounting to ₹ 1,618.00 million representing 14% and another customer amounting to ₹ 1,163.00 million representing 10% of the Group's total revenue.

CMS Info Systems Limited
Annexure VI - Notes to Restated Consolidated Financial Information

Note 35 : Additional information to be disclosed as required under Schedule III to the Companies Act, 2013, of all enterprises consolidated:

	As at August 31, 2021							
Particulars	**Net assets i.e., total assets minus total liabilities**		**Share in profit**		**Share in other comprehensive income**		**Share in total comprehensive income**	
Parent	**As a %**	₹ in million	**As a %**	₹ in million	**As a %**	₹ in million	**As a %**	₹ in million
CMS Info Systems Limited	88%	10,199.10	93%	783.22	-16%	(0.11)	93%	783.11
Subsidiaries								-
Securitrans India Private Limited	12%	1,380.23	7%	57.21	177%	1.20	7%	58.41
CMS Securitas Limited	0%	31.21	0%	0.90	105%	0.71	0%	1.61
CMS Marshall Limited	0%	5.08	0%	2.90	-165%	(1.12)	0%	1.77
Quality Logistics Services Private Limited	0%	0.10	0%	-	0%	-	0%	-
CMS Securitas Employees Welfare Trust	0%	17.22	0%	0.54	0%	-	0%	0.54

	As at March 31, 2021							
Particulars	**Net assets i.e., total assets minus total liabilities**		**Share in profit**		**Share in other comprehensive income**		**Share in total comprehensive income**	
Parent	**As a %**	₹ in million	**As a %**	₹ in million	**As a %**	₹ in million	**As a %**	₹ in million
CMS Info Systems Limited	87%	9,511.95	90%	1,516.77	57%	(0.78)	90%	1,515.99
Subsidiaries								
Securitrans India Private Limited	12%	1,321.82	9%	151.85	28%	(0.38)	9%	151.47
CMS Securitas Limited	0%	29.60	1%	12.54	90%	(1.24)	1%	11.30
CMS Marshall Limited	0%	3.30	0%	2.63	-74%	1.02	0%	3.65
Quality Logistics Services Private Limited	0%	0.10	0%	-	0%	-	0%	-
CMS Securitas Employees Welfare Trust	0%	16.68	0%	1.40	0%	-	0%	1.40

	As at March 31, 2020							
Particulars	**Net assets i.e., total assets minus total liabilities**		**Share in profit**		**Share in other comprehensive income**		**Share in total comprehensive income**	
Parent	**As a %**	₹ in million	**As a %**	₹ in million	**As a %**	₹ in million	**As a %**	₹ in million
CMS Info Systems Limited	87%	8,338.95	95%	1,276.63	10%	(1.17)	93%	1,275.46
Subsidiaries								
Securitrans India Private Limited	13%	1,170.21	5%	68.99	39%	(4.35)	5%	64.64
CMS Securitas Limited	0%	18.25	0%	(0.83)	26%	(2.96)	0%	(3.79)
CMS Marshall Limited	0%	(0.35)	0%	1.18	25%	(2.75)	0%	1.57
Quality Logistics Services Private Limited	0%	0.10	0%	-	0%	-	0%	-
CMS Securitas Employees Welfare Trust	0%	15.28	0%	1.06	0%	-	0%	1.06

	As at March 31, 2019							
Particulars	**Net assets i.e., total assets minus total liabilities**		**Share in profit**		**Share in other comprehensive income**		**Share in total comprehensive income**	
Parent	**As a %**	₹ in million	**As a %**	₹ in million	**As a %**	₹ in million	**As a %**	₹ in million
CMS Info Systems Limited	87%	7,358.48	93%	896.29	43%	(0.60)	93%	895.69
Subsidiaries								
Securitrans India Private Limited	13%	1,101.68	6%	58.44	-114%	1.61	6%	60.05
CMS Securitas Limited	0%	21.41	0%	2.59	62%	(0.88)	0%	1.71
CMS Marshall Limited	0%	1.22	0%	3.29	109%	(1.54)	0%	1.75
Quality Logistics Services Private Limited	0%	0.10	0%	-	0%	-	0%	-
CMS Securitas Employees Welfare Trust	0%	14.22	0%	0.80	0%	-	0%	0.80

CMS Info Systems Limited
Annexure VI - Notes to Restated Consolidated Financial Information

Note 36 : Advances recoverable from Selling Shareholder:

During the current period from April 01,2021 to August 31,2021 the Company has incurred IPO related expenses amounting to ₹ 79.30 million which is shown as recoverable from the selling shareholders and classified as advances recoverable in kind or value to be received. The reimbursement is to be deducted from the sale proceeds of a successful IPO.

During financial year 2017-18 the Company had incurred IPO related expenses amounting to ₹ 88.17 million which was shown as recoverable from the selling shareholders and classified as advances recoverable in kind or value to be received. The reimbursement was to be deducted from the sale proceeds of a successful IPO. However, given that the Company had no near term IPO plans, this recoverable had been written off during the year ended March 31,2020.

Note 37 : Ind AS 115 Revenue from Contracts with Customers

Sale of Product

The Group 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.

Revenue for services

The Group 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 Group does not disclose information of remaining performance obligation of such contracts.

Disaggregation of revenue from contract with customers

Revenue from sale of goods is recognized at point in time when control of the products being sold is transferred to our customer and Revenue from services is recognized over time as and when services are rendered. Revenue from contracts with customers is disaggregated by primary business units as given in the note 12 to the Annexure VI.

Reconciliation of revenue recognized with contracted price

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Revenue as per Contracted Price	6,333.09	13,363.22	13,978.29	11,619.39
Reduction (Rebate/discount)	(70.14)	(302.32)	(145.91)	(157.80)
Revenue recognized as per the statement of profit and loss	6,262.94	13,060.90	13,832.38	11,461.59

Movement of Contract assets (unbilled revenue)

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Opening Balance	358.98	284.33	-	-
i) Billed during the period / year	(54.97)	(118.26)	-	-
ii) Accrued during the period / year	38.38	192.92	284.33	-
Revenue recognized as per the statement of profit and loss	342.38	358.98	284.33	-

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	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Opening Balance	146.16	209.21	0.06	1.59
i) Additions during the period / year	80.83	99.16	209.21	0.06
ii) Reversed during the peirod / year	(47.03)	-	-	-
iii) Income recognized during the period / year	(99.13)	(162.22)	(0.06)	(1.59)
Closing Balance	80.83	146.15	209.21	0.06

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

Time Band	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
within 1 years	80.83	146.16	171.61	0.06
1 - 2 Year	-	-	9.40	-
2 - 3 Year	-	-	9.40	-
3 - 4 Year	-	-	9.40	-
4 – 5 Year	-	-	9.40	-
Total	80.83	146.16	209.21	0.06

There is no obligation for returns, refunds and other similar obligations as at August 31,2021 , March 31,2021 , March 31,2020 and March 31,2019.

Note 38 : Impact of Corona Virus Outbreak

In the short term, Group 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 group will continue to closely monitor any material changes to future economic conditions.

Note 39 : Income tax Rate

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 Group has evaluated and opted for concessional tax rate in March 31,2020

Note 40 : Disclosure required for Quartely statement submitted with banks
For borrowings from banks or financial institutions on the basis of security of current assets, quarterly returns or quarterly statements of current assets filed by the Group with banks or financial institutions during the five month period ended August 31, 2021 and the years ended March 31, 2021, 2020 and 2019 are in agreement with the books of accounts.

Note 41 :
The Group has presented these restated consolidated financial information (for all the periods presented there in) in accordance with the requirement of Schedule III - of the Companies Act , 2013 including amendments thereto , effective from April 01,2021.

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

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

Koosai Lehery
Partner
Membership No.: 112399

Ashish Agrawal
Director
DIN No.: 00163344
Place : Mumbai

Rajiv Kaul
Whole Time Director
and Chief Executive Officer
DIN No.: 02581313
Place : Mumbai

Pankaj Khandelwal
Chief Financial Officer
Place : Mumbai

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

Mumbai
28 October 2021

CMS Info Systems Limited
Annexure VII
Statement of Adjustments to the Restated Consolidated Financial information

PART A - Statement of restatement adjustments

Summarised below are the restatement adjustments made to the equity of the Audited Consolidated Financial Statements of the Group for the period ended August 31,2021 and for the years ended , March 31, 2021, March 31, 2020, March 31, 2019.

Sr. No.	Particulars	Notes	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
			₹	₹	₹	₹
A	Total Equity as per consolidated Financial statements		10,593.69	9,844.76	8,503.91	7,478.75
B	Adjustments:					
	Material restatement Adjustments:					
	(i) Audit qualifications	1	-	-	-	-
	Total			-	-	-
	(ii) Adjustments due to prior period items / other adjustments					
	Adjustments on account of adoption of Ind AS 116 (Refer Note 3)		-	-	-	(29.87)
	Total			**-**	**-**	**(29.87)**
	(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable					
	Deferred tax impact on restatement adjustments (Refer Note 3)		-	-	-	10.10
	Total		-	-	-	**10.10**
C	**Total impact of adjustments (i + ii + iii)**		-	-	-	**(19.77)**
D	**Total equity as per Restated Consolidated Financial Information (A+C)**		**10,593.69**	**9,844.76**	**8,503.91**	**7,458.98**

Summarised below are the restatement adjustments made to the net profit of the Audited Consolidated Financial Statements of the Group for the period ended 31 August 2021 and year ended 31 March 2021, 31 March 2020, 31 March 2019 and their consequential impact on the profit/ (loss) of the Group:

Sr. No.	Particulars	Notes	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
			₹	₹	₹	₹
A	Net profit after tax as per Audited Consolidated Financial Statements		844.70	1,685.23	1,347.09	981.18
B	Adjustments:					
	Material restatement Adjustments:		-	-	-	-
	(i) Audit qualifications	1				
	Total		-	-	-	-
	(ii) Adjustments due to prior period items / other adjustments					
	Adjustments on account of adoption of Ind AS 116 (Refer Note 3)		-	-	-	(29.87)
	Total		-	-	-	**(29.87)**
	(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable					
	Deferred tax impact on restatement adjustments (Refer Note 3)		-	-	-	10.10
	Total		-	-	-	**10.10**
C	Total impact of adjustments (i + ii + iii)		-	-	-	(19.77)
D	**Net profit after tax as per Restated Consolidated Financial Information (A+C)**		**844.70**	**1,685.23**	**1,347.09**	**961.41**

Notes

1. Adjustments for audit qualification: None

2. Material regrouping :

Appropriate adjustments have been made in the Restated Consolidated Financial Information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings / classification as per the audited consolidated financial statements of the Group as at and for the period ended August 31,2021 , prepared in accordance with Division II - Ind AS Schedule III of the Companies Act, 2013 ('the Act') including amendments effective from April 01,2021 and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended). Accordingly, the Group has presented the Restated Consolidated Financial Information as at and for the period ended August 31,2021 and for the year ended March 31,2021, March 31, 2020 and March 31,2019 following the requirements of Schedule III of the Act , amended effective from April 01, 2021.

3. Material restatement adjustments:

(a) Recognition of Right-of-use assets and lease liability

A new lease standard i.e., Ind AS 116 has been notified to be effective w.e.f. 01 April 2019 which provide guidelines for the accounting of the lease contracts entered in the capacity of a lessee and a lessor.

The Group has entered into various operating lease contracts in the capacity of a lessee and lessor and in lines with the accounting principles laid down in Ind AS 116, is required to make the following adjustments:-
i) The Group is required to recognise a right-of-use asset and a corresponding lease liability in respect of all the operating leases on the transition date.

ii) The Group shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, incremental borrowing rate shall be substituted.

iii) The lease payments included in the measurement of the lease liability comprise the payments for the right to use the underlying asset during the lease term that are not paid at the commencement date and includes the following:

(a) fixed payments (including in-substance fixed payments as described in paragraph B42 of Ind AS 116), less any lease incentives receivable;

(b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (as described in paragraph 28 of Ind AS 116).

iv) The asset recognised in lines with the provisions of Ind AS 116 is required to be depreciated as per Ind AS 16, Property plant and equipment.

The Group has applied 'modified retrospective approach' as mentioned in Ind AS 116 to all lease contracts existing on 1 April 2018 and elected to measure the right-of-use assets at an amount equal to the lease liability as at the date of initial application, on the date of initial application i.e., at 1 April 2018. Also refer Part B of this Annexure below.

(b) Deferred tax assets (Net)

Deferred tax has been computed on adjustments made as detailed above and has been adjusted in the Restated Consolidated Financial Information.

(c) Cash flow Statements

On adoption of Ind AS 116, in addition to the changes as explained above, the lease payments are reported under cash flow from financing activities as against cash flow from operating activities under the prior accounting standard.

CMS Info Systems Limited
Annexure VII
Statement of Adjustments to the Restated Consolidated Financial information

PART B : Reconciliation of total equity as per audited financial statements with total equity as per restated financial statements

The Group has followed the same accounting policy choices (transition options as per Ind AS 116) as adopted on 01 April 2019 for transition to Ind AS 116, while preparing the Restated consolidated financial information for the period ended August 31,2021 and for each of the year ended March 31, 2021, March 31, 2020 and March 31,2019 . As specified in the Guidance Note, the equity balance computed under restated consolidated financial information for the year ended 31 March 2019 and equity balance computed on transition (using modified retrospective approach) to Ind AS 116 on April 01,2019, differs due to restatement adjustments made for the year ended March 31, 2019 . Accordingly, the closing equity balance as at March 31, 2019 of the restated financial statements has not been carried forward to opening Balance sheet as at April 01, 2019. The reconciliation of the same is as follows

Particulars	As at August 31,2021 ₹
Other equity **Retained Earnings**	
Restated balance as at 31 March 2019	5,409.27
Add: Adjustment on account of transition to Ind AS 116 (including corresponding deferred tax)	19.77
Balance as at 01 April 2019 as per audited financial statements for the year ended 31 March 2020	5,429.04

Part C: Non-adjusting items

In addition to the audit opinion on the consolidated financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2016 ("the CARO 2016 Order") issued by the Central Government of India under sub-section (11) of Section 143 of Companies Act, 2013 on the standalone financial statements as at and for the financial years ended March 31,2019, March 31, 2020 and March 31,2021 respectively. Certain statements/comments included in the CARO in the standalone financial statements, which do not require any adjustments in the Restated Consolidated Financial Information are reproduced belw in respect of the financial statements presented.

Financial year 2020-21

CMS Info Systems Limited

Clause (vii) (b) of CARO 2016 Order
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 March 31,2021 which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned below :

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	2017-18	50.47	41.92
Income tax department	Income tax	CIT Appeal	2018-19	67.86	57.36

Clause (x) of CARO 2016 Order

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 ₹ 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 ₹ 23.66 million, written off ₹ 10.35 million being doubtful of recovery and is in the process of recovering the balance amounts.

Securitrans India Private Limited

Clause (x) of CARO 2016 Order
One Instance of Cash Embezzlements done by employees of the Company wherein the total amount involved was ₹ 3.52 million. The Company has terminated the services of the concerned employees. Further, the Company has filed complaints with the Police and has also filled insurance claims for the recovery of amounts involved. Till date, no recovery has been made against the alleged amounts and ₹ 0.43 million being doubtful, have been written off during the year.

CMS Info Systems Limited
Annexure VII
Statement of Adjustments to the Restated Consolidated Financial information

Part C: Non-adjusting items (Continued)

<u>Financial year 2019-20</u>

CMS Info Systems Limited

Clause (vii) (a) of CARO 2016 Order

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 after considering the extension of due date for goods and services tax granted by authorities for payment of such dues for the month of March 2020. Provident Fund payment related to implementing the judgment of Honourable Supreme Court of India dated 28 February 2019 was delayed. This payment was made by March 2020.

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 Service Tax, Duty of Customs, Cess and other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

Clause (vii) (b) of CARO 2016 Order

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 March 31,2020 , which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned below :

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	40.66	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	0.10	0.02
Rajasthan Value Added Tax Act, 2003	Value Added Tax	Deputy Commissioner of Value Added Tax, Rajasthan	2013 -14 and 2014-15	2.03	-
Orissa Value Added Tax, 2004	Value Added Tax	Deputy Commissioner of Value Added Tax, Orissa	2013-14 and 2014-15	0.37	-
Central Sales Tax Act, 1956	Central Sales Tax	Deputy Commissioner of Central Sales Tax, Rajasthan	2013-14 and 2014-15	0.24	-
Central Sales Tax Act, 1956	Central Sales Tax	Deputy Commissioner of Central Sales	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	-

Clause (x) of CARO 2016 Order

According to the information and explanations given to us, six instances of cash embezzlements done by employees of the Company wherein the total amount involved was ₹ 74.56 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 ₹ 42.20 million and ₹ 6.14 million being doubtful of recovery has been written off during the year.

Securitrans India Private Limited

Clause (x) of CARO 2016 Order

Five Instances of Cash Embezzlements done by employees of the Company wherein the total amount involved was ₹ 96.13 million. The Company has terminated the services of the concerned employees. Further, the Company has filed complaints with the Police and has also filled insurance claims for the recovery of amounts involved. Till date, approximately ₹ 17 Million recovery has been made against the alleged amounts and ₹ 6.92 million being doubtful, have been written off during the year.

CMS Info Systems Limited
Annexure VII
Statement of Adjustments to the Restated Consolidated Financial information

Part C: Non-adjusting items (Continued)

Financial year 2018-19

Clause (vii) (b) of CARO 2016 Order

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 March 21,2019, which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned below :

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	40.66	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	0.10	0.02
Rajasthan Value Added Tax Act, 2003	Value Added Tax	Deputy Commissioner of Value Added Tax, Rajasthan	2013 -14 and 2014-15	2.03	-
Orissa Value Added Tax, 2004	Value Added Tax	Deputy Commissioner of Value Added Tax, Orissa	2013-14 and 2014-15	0.37	-
Central Sales Tax Act, 1956	Central Sales Tax	Deputy Commissioner of Central Sales Tax, Rajasthan	2013-14 and 2014-15	0.24	-
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	1.99

Clause (x) of CARO 2016 Order

According to the information and explanations given to us, thirteen instances of cash embezzlements done by employees of the Company wherein the total amount involved was ₹ 113.51 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 ₹ 6.23 million and ₹ 20.00 million being doubtful of recovery has been written off during the year.

Securitrans India Private Limited
Clause (x) of CARO 2016 Order

Two Instances of Cash Embezzlements done by employees of the Company wherein the total amount involved was ₹ 13.42 million. The Company has terminated the services of the concerned employees. Further, the Company has filed complaints with the Police and has also filled insurance claims for the recovery of amounts involved. Till date, no recovery has been made against the alleged amounts and ₹ 4.64 million, being doubtful, have been provided during the year.

OTHER FINANCIAL INFORMATION

The accounting ratios required derived from the Restated Financial Information under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

(₹ in million)

Particulars	Five months ended August 31, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
Basic earnings per Equity Share	5.71	11.39	9.10	6.50
Diluted earnings per Equity Share (in ₹)	5.49	11.09	8.87	6.33
Return on Net Worth (%)	7.97	17.12	15.84	12.89
Net Asset Value per Equity Share (in ₹)	71.58	66.52	57.46	50.40
EBITDA	1,530.93	3,094.37	2,589.64	2,110.93
Adjusted EBITDA	1,510.61	3,054.80	2,659.01	2,139.82

Notes: *The ratios have been computed as under:*

1. *Basic and diluted EPS: profit for the period/year attributable to equity shareholders of the Company divided by total weighted average number of equity shares outstanding during the period. Basic and diluted EPS are computed in accordance with Ind AS 33 - Earnings per share*

2. *Net worth, restated and consolidated, means the aggregate of share capital and other equity (including capital reserve and share options outstanding account) on restated basis*

(₹ in million)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Equity share capital (A)	1,480.00	1,480.00	1,480.00	1,480.00
Other equity (B)	9,113.69	8,364.76	7,023.91	5,978.98
Equity attributable to owners of the Company/ Net Worth (C) = (A)+(B)	10,593.69	9,844.76	8,503.91	7,458.98

3. *Return on net worth %: Profit for the period/year divided by net worth at the end of the year at the end of the year*100*

(₹ in million)

Particulars	Five months ended August 31, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Net Worth (A)	10,593.69	9,844.76	8,503.91	7,458.98
Profit for the period/year (B)	844.70	1,685.23	1,347.09	961.41
Return on net worth (C) = (B) / (A)*100	7.97	17.12	15.84	12.89

4. *NAV per Equity Share (in ₹): Net Asset Value per equity share is calculated by dividing net worth by number of equity shares outstanding at the end of the year*

(₹ in million, except per share data)

Particulars	As at			
	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Net Worth (A)	10,593.69	9,844.76	8,503.91	7,458.98
Nos of equity shares outstanding (B)	148	148	148	148
Net Asset Value per Equity Share (C)	71.58	66.52	57.46	50.40

5. *EBITDA = Earnings before interest, taxes, depreciation and amortisation expense, which has been arrived at by obtaining the profit for the period/year and adding back finance costs, total tax expense, depreciation and amortisation expense*

6. *Adjusted EBITDA = EBIDTA minus Finance income plus Share based payment to employees & Advance written off (non-operating expenses)*

(₹ in million)

Particulars	Five months period ended August 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit for the period/year (A)	844.70	1,685.23	1,347.09	961.41

Particulars	Five months period ended August 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Finance costs (B)	50.73	82.32	73.15	74.49
Total tax expense (C)	289.63	692.27	603.52	537.88
Depreciation and amortisation expense (D)	345.88	634.55	565.87	537.15
EBITDA (E) = (A)+(B)+(C)+(D)	1,530.93	3,094.37	2,589.64	2,110.93
Finance income (F)	(16.12)	(59.19)	(29.28)	(14.38)
Share based payment to employees (G)	(4.20)	19.61	10.48	43.26
Advance written off (non-operating expenses) (H)*^	-	-	88.17	-
Adjusted EBITDA (G) = (E)-[(F)+(G)+(H)]	1,510.61	3,054.80	2,659.01	2,139.82

*^*Non-operating IPO-related expenses (pertaining to planned IPO in Fiscal Year 2018) recoverable from Sion Investment Holdings Pte. Limited written off in financial year ended March 31, 2020.*

7. *Accounting and other ratios are derived from the Restated Financial Information*.

In accordance with the SEBI ICDR Regulations, the audited financial information of our Company and our Material Subsidiary for Fiscals 2021, 2020 and 2019 ("**Audited Financial Statements**") are available on our website at www.cms.com/investor-relations.php. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. None of our Company or any of its advisors, nor BRLMs or the Promoter Selling Shareholder, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at August 31, 2021, derived from our Restated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Financial Statements*" and "*Risk Factors*" on pages 290, 213 and 25, respectively.

(₹ in million, except ratios)

Particulars	Pre-Offer (as at August 31, 2021)	As adjusted for the proposed Offer
Debt		
Current borrowings (A)	-	-
Non-current borrowings (including current maturity) (B)	-	-
Total borrowings (C=A+B)	**-**	**-**
Equity		
Equity share capital (D)	1,480.00	1,480.00
Other equity (E)	9,113.69	9,113.69
Total Equity (F= D+E)	10,593.69	10,593.69
Total Capitalisation (G= C+F)	10,593.69	10,593.69
Total non-current borrowings (including current maturities) /Total equity (B/F)	-	-
Total borrowings/Total equity (C/F)	-	-

Notes:

i. The above statement does not include lease liability as per Ind AS 116 disclosed under other financial liability in the Restated Financial Information

FINANCIAL INDEBTEDNESS

Our Company and its Subsidiaries avail loans and bank facilities in the ordinary course of their business. As on date such borrowings are primarily availed to fund the working capital requirements of our Company and its Subsidiaries.

Pursuant to a resolution dated October 21, 2014 passed by our Shareholders, our Board has been authorised to borrow up to a sum of ₹3,000 million for and on behalf of our Company, from time to time.

For the Offer, our Company has obtained the necessary consents required under the relevant loan documentations for undertaking activities, including, *inter alia*, for change in its capital structure, change in its shareholding pattern, reconstitution of the board of directors and change or amendment to the constitutional documents of our Company.

The lenders of our Company and our Subsidiaries are as follows:

(a) Axis Bank Limited
(b) State Bank of India
(c) ICICI Bank Limited
(d) Kotak Mahindra Bank Limited
(e) IDBI Bank Limited
(f) YES Bank Limited

As on November 30, 2021, the aggregate outstanding indebtedness (including fund based and non-fund based borrowings) of our Company and our Subsidiaries, as certified by M/s JMT & Associates, chartered accountants, vide certificate dated December 14, 2021, are as follows:

Facilities obtained by our Company and our Subsidiaries

(in ₹ million)

Particulars of indebtedness	As on November 30, 2021	
	Sanctioned amount	Outstanding amount
Fund Based (A)		
Working capital facilities*		
Secured	990.00	Nil
Rupee Term Loan (B)	750.00	Nil
Non-Fund Based (C)		
Working capital facilities*		
Secured	3,986.50#	2,898.92
Total (A) + (B) + (C)	**5,726.50**	**2,898.92**

**Working capital facilities typically include cash credit facility, bank guarantee and letter of credit along with sub-limits for other facilities like working capital demand loan, letter of credit, financial guarantee and performance guarantee among others.*
It includes an unsecured bank guarantee limit of ₹170.00 million as a sub-limit to the secured working capital facilities.

Accordingly, as on November 30, 2021, the total indebtedness under the various financing arrangements of our Company and our Subsidiaries aggregated to ₹2,898.92 million.

Status of indebtedness for the last three Fiscals

1. Status of indebtedness as on March 31, 2021 on a consolidated basis:

(in ₹ million)

Particulars of indebtedness	Sanctioned amount	Outstanding amount
Fund Based (A)		
Working capital facilities*		
Secured	990.00	Nil
Rupee Term Loan (B)	750.00	Nil
Non-Fund Based (C)		
Working Capital Facilities*		
Secured	3486.50	2687.09
Total (A) + (B)+(C)	**5226.50**	**2687.09**

Working capital facilities typically include cash credit facility, bank guarantee and letter of credit along with sub-limits for other facilities like working capital demand loan, letter of credit, financial guarantee and performance guarantee among others.

2. Status of indebtedness as on March 31, 2020 on a consolidated basis:

(in ₹ million)

Particulars of indebtedness	Sanctioned amount	Outstanding amount
Fund Based (A)		
Working capital facilities*		
Secured	990.00	Nil
Non-Fund Based (B)		
Working capital facilities*		
Secured	2760.00	1782.77
Total (A) + (B)	**3750.00**	**1782.77**

Working capital facilities typically include cash credit facility, bank guarantee and letter of credit along with sub-limits for other facilities like working capital demand loan, letter of credit, financial guarantee and performance guarantee among others.

3. Status of indebtedness as on March 31, 2019 on a consolidated basis:

(in ₹ million)

Particulars of borrowing	Sanctioned amount	Outstanding amount
Fund Based (A)		
Working capital facilities*		
Secured	1240.00	Nil
Non-Fund Based (B)		
Working capital facilities*		
Secured	1680.00	827.47
Total (A) + (B)	**2920.00**	**827.47**

Working capital facilities typically include cash credit facility, bank guarantee and letter of credit along with sub-limits for other facilities like working capital demand loan, letter of credit, financial guarantee and performance guarantee among others.

For details of our outstanding loan obligations for the five month period ended August 31, 2021 and for the further details of our outstanding loan obligations for last three Fiscals, see "*Financial Statements*" on page 213.

Apart from SIPL, none of our other Subsidiaries have availed of any borrowings.

Principal terms of the borrowings currently availed by us:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us.

1. ***Interest:*** The rate of interest for our borrowings is decided by the lenders and mutually agreed by our Company. Typically, the rate of interest is either the base rate of a specified lender/ marginal cost of fund based lending rate and/or plus a specified spread per annum. The spread varies among different loans and typically ranges from 0.05% to 0.80% per annum.

2. ***Commission:*** The rate of commission charged on the bank guarantee facilities availed by our Company and our Subsidiaries is decided by the lenders and mutually agreed by our Company. The rate of commission typically ranges from 0.20% per annum to 0.40% per annum.

3. ***Tenor:*** The tenor of the borrowings availed by us typically ranges from three months to thirty-six months. Further, certain of our borrowings are payable on demand.

4. ***Security**:* The current facilities availed by our Company are secured. Further, in terms of our financing arrangements for secured borrowings, we are typically required to create security by:

(a) creating charge and hypothecating our present and future current assets including stocks, book debts, bills, receivables and other current assets;

(b) creating charge and hypothecation over our existing and future movable fixed assets;

(c) issuing demand promissory notes for a specified amount in the form approved by the lender; and

(d) providing counter guarantees/indemnities in favour of the lender.

In most cases, security created in favour of a lender is on a *pari passu* basis with the other lenders. Additionally, our Company has guaranteed certain working capital facilities availed by our Subsidiary, SIPL.

The details above are indicative and there may be additional requirements for creation of security under the various borrowing arrangements entered by us.

5. ***Re-payment:*** The borrowings are repayable on demand by the lender and/or on a monthly basis, after the end of the specified moratorium period or as may be agreed between us and the respective lenders.

6. ***Prepayment*** Our borrowings typically have rescheduling and pre-payment provisions which allow for pre-payment of the outstanding amount, subject to the conditions specified in the borrowing arrangements and in certain cases subject to the payment of a pre-payment penalty

7. ***Penalty:*** The loans availed by our Company contain provisions prescribing penalties for prepayment as well as delayed payment or default in the repayment obligations of our Company including delay in creation of the stipulated security and/or submission of documents such as annual reports, financial statements, insurance policies and stock statements.

8. ***Restrictive covenants:*** Our financing arrangements entail various conditions and covenants restricting certain corporate actions and we are required to take the prior approval or prior written consent of the lender before carrying out such activities, without which, it would result in an event of default under the financing arrangements. For instance, certain actions prior to which our Company is required to obtain written consent of the lenders include:

(a) to alter the capital structure/ shareholding pattern/ composition of our Board;

(b) to undertake guarantee obligations on behalf of any other borrower or any third-party;

(c) to effect any change in our management set-up;

(d) to declare dividend for any year except out of profits relating to that year after making all the due and necessary provisions provided that no default had occurred in any repayment obligation;

(e) to amendments in the constitutional documents of our Company;

(f) to change the ownership pattern or management structure of our Company or to effectuate any material changes in the management of the business;

(g) change in shareholding of our Promoter that leads to dilution in controlling stake;

(h) to undertake any merger, de-merger, consolidation, reorganisation, scheme of arrangement or compromise;

(i) to create any charge, lien or encumbrance over our undertaking or any part thereof in favour of any financial institution or otherwise;

(j) enter into any merger/amalgamation etc or do a buyback; and

(k) Promotor's shares in the borrowing entity should not be pledged to any bank/Non-Banking Financial Company/institution outside the consortium/multiple banking arrangement

Further, in relation to certain of borrowings availed by our Company, the relevant lenders have the right to appoint a nominee director on our Board and/or have a right to convert the outstanding loan into Equity Shares of our Company, in case of occurrence of an event of default.

Further, for details of financial and other covenants required to be complied with, by our Company, in relation to our loan obligations, see "*Risk Factors – 35. Our inability to meet our obligations, including* *financial and other covenants under our debt financing arrangements could adversely affect our business, financial condition, cash flows and results of operations*" on page 52.

9. ***Events of Default:*** Borrowing arrangements entered by our Company contain standard events of default, including:

(a) making false, incorrect, or misleading representation, statement, or warranties by our Company under the financing agreements and/or in relation to facilities;

(b) failure to observe or comply with any of the terms and conditions of the facility documents;

(c) bankruptcy, insolvency, suspension of payment to any creditors/petition of bankruptcy or winding up petitions;

(d) any event that would likely constitute a material adverse change;

(e) failure to get the facility rated by credit rating agencies;

(f) if any of the respective obligations become unlawful to perform;

(g) any person acquires control of the borrower without the approval of the Bank;

(h) substantial change in the constitution of our Board or management of our Company without previous written consent of the lender or upon the management ceasing to enjoy the confidence of the bank;

(i) occurrence of cross-defaults;

(j) failure of our Company to create and/or perfect the security within the period contemplated;

(k) receiver being appointed in respect of the whole or any part of the property/assets of the borrower;

(l) use of the facilities for purpose other than the those enumerated in the financing documents;

(m) in case our Company suspends, ceases, or threatens to cease to carry on its business;

(n) in case the assets (collateral) of our Company are endangered/stolen or suffer total loss/damage due to any accident;

(o) in case our Company diverts working capital for long term purposes;

(p) in case any step is taken against our company for dissolution, winding up, appointment of receiver, judicial manager, trustee; and

(q) in case the security of the loan is in jeopardy or ceases to have effect or becomes illegal.

The details above are indicative and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us.

10. ***Consequences of occurrence of events of default***: In case of the occurrence of an event of default, our lenders shall have the right to, *inter alia*:

(a) declare that their obligations to make further advances be cancelled;

(b) withdraw the sanctioned facilities;

(c) enforce the rights over the security provided;

(d) seek immediate repayment of all or part of the outstanding amounts under the respective facilities;

(e) appoint a nominee director on the Board;

(f) convert the outstanding loan into Equity Shares of the Company;

(g) exercise any or all rights and recourses provided under the agreements; and

(h) exercise all other remedies as available by law, as the case may be.

Past instance of default

There have been no past instances of default, in relation to the facilities availed by our Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Restated Financial Information which is included in this Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Ind AS Restated Financial Information, including the related notes and reports, included in this Prospectus, which is prepared under Ind AS, in accordance with requirements of the Companies Act, and restated in accordance with the SEBI ICDR Regulations.

Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Information. Our historical results do not necessarily indicate results expected for any future periods. The following discussion and analysis contains forward-looking statements that involve risks and uncertainties. Our actual results may differ from those anticipated in these forward-looking statements as a result of any number of factors, including those set forth in "Forward-Looking Statements" and "Risk Factors" on pages 24 and 25, respectively.

OVERVIEW

India is the third largest ATM market in the world based on the number of installed ATMs, and we are India's largest cash management company based on number of ATM points and number of retail pick-up points as of March 31, 2021. (Source: Frost & Sullivan) For Fiscal Year 2021, our total currency throughput, or the total value of the currency passing through all of our ATM and retail cash management businesses, amounted to ₹9,158.86 billion. Our business includes installing, maintaining and managing assets and technology solutions on end-to-end outsourced basis for banks under long term contracts.

Our integrated business platform is supported by customised technology and process controls, which enables us to offer our customers a wide range of tailored cash management and managed services solutions, while generating cross-selling opportunities and driving synergies and efficiencies across our business. We cater to broad set of outsourcing requirements for banks, financial institutions, organized retail and e-commerce companies in India. We operate our business in three segments:

- *Cash management services*, which include end-to-end ATM replenishment services; cash pick-up and delivery; network cash management and verification services (together known as "retail cash management services"); and inter-city and intra-city movement of currency, and cash-in-transit services for banks, accounting for 68.61% and 66.74%, respectively, of our revenue from operations in Fiscal 2021 and the five months ended August 31, 2021, and grew at a CAGR of 0.31% from Fiscal Year 2019 to Fiscal Year 2021;

- *Managed services*, which include banking automation product sales and deployment; end-to-end Brown Label deployment and managed services for banks; common control systems and software solutions, including multi-vendor software solutions and other security and automation software solutions; as well as remote monitoring for ATMs, accounting for 27.88% and 30.64% respectively, of our revenue from operations in Fiscal 2021 and the five months ended August 31, 2021, and grew at a CAGR of 35.88% from Fiscal Year 2019 to Fiscal Year 2021; and

- *Others*, which include end-to-end financial cards issuance and management for banks and card personalization services, accounting for 3.51% and 2.62% respectively, of our revenue from operations in Fiscal 2021 and the five months ended August 31, 2021.

Our cash management business is largely route-based in nature with 78.11% and 78.70% respectively, of revenue in Fiscal 2021 and the five months ended August 31, 2021 being generated from activities where route density drives profitability and enables operating leverage. Our managed services business on the other hand is largely recurring in nature with 52.45% and 65.80%, respectively, of revenue from our managed services business in Fiscal 2021 and the five months ended August 31, 2021 being generated from long-term contracts, which provides high revenue visibility for our managed services business.

For Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, we generated revenue from operations of ₹11,461.59 million, ₹13,832.38 million, ₹13,060.90 million and ₹6,262.94 million, respectively, and profit before tax of ₹1,499.29 million, ₹1,950.61 million, and ₹2,377.50 million and ₹1,134.33 million, respectively. For Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, our profit before tax as a percentage of our total income was 12.93%, 14.05%, 17.99% and 18.01% respectively, respectively. As a result of the COVID-19 pandemic, which emerged in late 2019 and subsequent resurgent waves of infection in particular in April and May 2021, our business operations and the operations of our customers have been impacted given the restrictions implemented to reduce the spread of COVID-19. In response to this crisis, we have focused on productivity and efficiencies within our business in order to maintain our profitability.

SIGNIFICANT FACTORS AFFECTING RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our business, results of operations, cash flow and financial condition are significantly affected by a number of factors, including:

The COVID-19 pandemic

The COVID-19 pandemic has created unique global and industry-wide challenges, including challenges to many aspects of our business. The COVID-19 pandemic has resulted in quarantines, travel restrictions, limitations on social or public gatherings, and the temporary closure of business venues and facilities across the world, including India. There have been multiple waves of infections that have impacted certain countries, with India most recently experiencing a second wave of infections that has significantly increased the number of persons impacted by COVID-19. In particular, in April and May 2021, there has been a significant resurgence in the daily number of new COVID-19 cases and resulting deaths and the GoI and state governments in India have reimposed lockdowns and other more restrictive measures in an effort to stop the resurgence of new infections. These have all contributed to negative economic impact on the India economy and consequently our business and operations; for example, India recorded negative GDP in Fiscal Year 2021, and the second waves of infections has also adversely impacted the growth outlook for Fiscal Year 2022. Our Company as a frontline business is exposed to economic disruptions and loss of lives for our employees and third-party personnel. In addition, most of the costs that we incur to run our business is fixed and cannot be scaled down quickly. While India is accelerating its vaccination drive, further waves of new COVID-19 cases are still possible. The longer-term trajectory of the COVID-19 pandemic and the effects of mutations in the virus, both in terms of scope and intensity of the pandemic, together with their impact on our industry and the broader economy are still difficult to assess or predict and pose ongoing and significant uncertainties that will be difficult to quantify. To the extent that the COVID-19 pandemic worsens or there are further waves of the virus of the future, we could suffer additional losses, which could adversely affect our business and profitability. For example, further lockdowns or regulatory restrictions due to COVID-19 in the future could disrupt or cause a decline in our cash management business, cause decline in transactions at our Brown Label ATMs, where we have deployed capital and we may not be able to recoup our investments in those ATMs. In addition, banks could delay new orders for ATM product sales and deployments, banking automation products, Brown Label ATMs, as well as managed services and other services that we provide to them as a result of future waves of the COVID-19 virus and we may also not be able to carry out certain contracts due to future lockdowns or other restrictions, which could have a material adverse effect on our business, results of operations and financial condition.

Growth of the banking sector and the number of ATMs in India

We believe that the growth of the Indian banking sector has significantly driven, and will continue to drive, the growth of our business. Our cash management services segment, which accounted for 77.70%, 70.68%, 68.61% and 66.74% of our total revenue from operations for Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, respectively, are ultimately utilized by banks, while most of the customers of our managed services, which accounted for 17.21%, 26.19%, 27.88% and 30.64% of our total revenue from operations for Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, respectively, and the customers of our cards business, are banks. The ability of banks to make expenditures on cash management services; offer cash management services to their retail business customers, which form part of the large base of 3 million addressable retail outlets in India; continue to outsource cash management services; and expand their ATM networks depends on the performance of their own businesses, as well as other external factors, such as the performance of the Indian economy and the RBI's monetary policies and GoI regulations. (Source: Frost & Sullivan) Although as a result of the COVID-19 crisis India's economy has slowed, India's GDP is expected to grow approximately 7.9% per year from 2020 to 2024, compared to global growth of 2.5% per year for the same period (Source: IMF; Frost & Sullivan) In addition, India has one of the lowest ATM penetration rates in the world, with only 22 ATMs per 100,000 adults, compared to a global average of 47 ATMs per 100,000 adults as of December 31, 2020, while still having the third largest ATM market based on number of installed ATMs, which is expected to grow at a CAGR of 6.1% from 255,000 as of March 31, 2021 to 365,000 as of March 31, 2027, and a large debit card base of approximately 893.4 million cards and 913.8 million cards as of March 31, 2021 and August 31, 2021, respectively. (Source: RBI; Frost & Sullivan) The GoI has undertaken initiatives aimed at increasing financial inclusion to give greater access to bank branches and ATMs, in particular in semi-urban and rural regions where ATM penetration is very low at 15 ATMs per 100,000 adults as of December 31, 2020. These GoI initiatives are reflected in the growth in the number of bank accounts in India from 780 million as of March 31, 2018 to 950 million as of March 31, 2021. (Source: RBI; Frost & Sullivan) Payments in cash, which continues to be the primary medium of transaction in India, accounted for approximately 89% of all payment transactions in 2020. In Fiscal Year 2021, approximately 85% to 88% of all transactions by volume were anticipated to be cash transactions. (Source: RBI; Frost & Sullivan) For these reasons, the geographic reach of ATM cash management service providers is a key purchasing criteria for banks. (Source: Frost & Sullivan) We believe the size and depth of our pan-India platform, in particular in semi-urban and rural regions, positions us well to capture the expected growth in demand for cash management services and ATM infrastructure and managed services in India. In addition, our platform offers our customers a single point of reference across India for their operations, as well as an integrated service and product offering. In Fiscal Years 2019, 2020 and 2021, we serviced 52,691, 58,458 and 62,919 ATM points, respectively, through our ATM cash management services, and 41,836, 44,497 and 40,249 retail pick-up points, respectively, through our pan-India fleet, which as of March 31, 2021, included over 3,911 cash vans, 224 branches and offices. In addition, we provided maintenance services under long-term asset management contracts for 23,305 ATMs in Fiscal 2021. We also managed 3,120 ATMs on an end-to-end basis under our Brown Label ATM business model. Please see "*Risk Factors – 3. Our business is highly dependent on the banking sector in India and any adverse development with respect to Indian banks that adversely affects their utilisation of and demand for cash management services or their deployment or utilisation of ATMs could have an adverse effect on our business, results of operations, cash flows and financial condition*" on page 26.

Outsourcing by banks of cash management and other parts of the cash cycle

We believe our services and products help increase the velocity of cash through the cash cycle by assisting customers to meet their outsourcing needs and increase the speed with which they handle cash by automating and decreasing duplication in the processing and turnaround of cash, which we believe also allows customers to improve their productivity and reduce their cash processing costs. As the amount of cash in circulation increases, so does the need for cash and cash-related services. Cash in circulation in India increased at a faster rate than GDP at a CAGR of approximately 10% to 12% year-on-year from Fiscal Year 2001 to Fiscal Year 2021. In addition, after India's banknote demonetization in November 2016, which caused cash in circulation in India to decrease, cash in circulation in India has since recovered significantly increasing from ₹13.4 trillion in Fiscal Year 2016 to ₹28.4 trillion in Fiscal Year 2021 and was ₹29.5 trillion as of August 2021. (Source: Frost & Sullivan) As the demand for cash and cash-related services in India has increased, banks and other participants in India are increasingly outsourcing their ATM operations and management in order to process and distribute cash to consumers more quickly and efficiently. In particular, as the banking sector grows, banks and other financial institutions, in particular public sector banks, have sought to process and distribute cash to consumers more quickly and efficiently in order to increase their productivity and lower their cash handling costs by outsourcing and automating their cash management and other banking services. As of August 31, 2021, approximately 60% of the 255,000 ATMs in India were outsourced to third-party cash management companies. (Source: Frost & Sullivan) The trend toward outsourcing is expected to continue, in particular as the current base of ATM and cash management assets of banks come up for renewal and replacement over the next three years, given the average life spans of ATMs and since a large portion of ATMs in Indian were installed in 2013 and 2014, as banks focus increasingly on their core business and operations and seek to increase their productivity and reduce costs. (Source: Frost & Sullivan) In addition, consolidation in the banking sector and RBI operating standards that banks are required to comply with, as well as recently enacted cassette swap requirements, are expected to drive outsourcing as well. (Source: Frost & Sullivan) There has also been an industry trend towards greater outsourcing of services in other parts of the cash cycle, such as for currency chests, which historically have been managed internally by state-owned banks, as the operations and cash management needs of currency chests expand.

We assist our customers to meet their outsourcing needs by increasing the speed with which they handle cash and by decreasing duplication in the processing and turnaround of cash. In addition, we believe that our integrated services and product offering and the strength of our relationships with our customers also puts us in an advantageous position for cross-selling opportunities and to win new mandates for other key aspects of their businesses as they increasingly outsource and automate their banking services. Our integrated business platform is supported by customised technology and process controls, which enables us to offer our customers a wide range of tailored cash management and managed services solutions, while generating cross-selling opportunities and driving synergies and efficiencies across our business. We cater to a broad set of outsourcing requirements for banks, financial institutions, organized retail and e-commerce companies in India. For example, we have recently secured and executed on a significant project for SBI that entailed customization and installation of multi-vendor software solutions across SBI's ATM platform, including setting up a central control centre. Further, in 2020 we won a project from SBI to install, operate and manage 3,000 ATMs under our Brown Label ATM model. However, banks could also decide to develop their own cash management and managed services platforms to save on third-party costs, reducing the amount of those services that they outsource to third-party suppliers and banks may perceive our position as a leading cash management services company in India as a potential concentration risk to their business and operations, and may decide to, or implement strategies or other risk management policies which require them to reduce or limit the amount of cash management services they purchase from us. Please see "*Risk Factors – 3. Our business is highly dependent on the banking sector in India and any adverse development with respect to Indian banks that adversely affects their utilisation of and demand for cash management services or their deployment or utilisation of ATMs could have an adverse effect on our business, results of operations, cash flows and financial condition*" on page 26.

Cost efficiency through economies of scale and increased productivity

Cash management is a route-based business, which means that there is a positive correlation between market share, network density and profitability. Our industry is consolidating due to changes in regulations designed to ensure that cash management companies meet certain operating standards with respect to the handing of cash, as well as trends in customer preference favouring larger cash management companies with more scaled and stable operations. (Source: Frost & Sullivan). Consequently, as market share and movements of large volumes of cash and the various other cash management services increase, operating resources can often be deployed more efficiently and margins can be improved. Further, we have actively sought to increase our productivity and efficiency with which we deploy our resources through the use of technology and various route planning processes, which has increased the density of stops in the routes of our cash vans, allowed us to leverage the fixed costs of our cash processing infrastructure and driven higher profitability. In addition, increases in the number of our business points in semi-urban and rural areas will also increase our network density in these regions, thereby increasing our productivity. We increased our productivity measured as activities per route per day from 13.5 in Fiscal Year 2020 to 14.4 in Fiscal Year 2021. During the months of July and August 2021, we had an average of activities per route per day of 14.9. In addition, our pan-India platform covers all of India's states and union territories, except for the remote union territory of Lakshadweep, 97.04% of India's districts and over 77.46% Indian postal codes, including difficult to reach and remote rural and semi-urban areas. The size and wide reach of our network enables us to realize further economies of scale, allowing us to increase and our profit margins. However, despite the size of our business, through use of standardising and automating processes we have realized important gains in critical service metrics, including improving ATM uptime and turn-around-time for customers. For example, in Fiscal Year 2021, we received an average of 9,276 ATM first line maintenance calls per day. Based on the average for August 2021, we were able to adhere to a turn-around-time within six hours in 88.72% of those calls, providing additional uptime for our customers. Improving ATM uptime and turn-around-time for customers not only results in increased customer satisfaction but also decreases aggregate penalty charges that we are required to incur when we do not meet the agreed scheduled response times, which improves our margins and profitability on any given contract. In addition, we actively seek to improve our reconciliation of ATM and retail cash balances and end-of-day reporting to bank branches, which allows us to reduce risk cost. We have also developed and implemented automated one-time password generation tools, which have considerably reduced the need to provide call centre services. Further, we developed an automated reconciliation software solution, which automates a large percentage of reconciliation queries we receive from customers, thereby significantly reducing manual labour and associated costs. Our scale, productivity increase, and use of technology to automate processes enable us to deploy our resources more efficiently and realize economies of scale, allowing us to increase the productivity of our operations and our margins of profitability. Our total expenses as a percentage of our total income in Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021 was 87.07%, 85.95%, 82.01% and 81.99%, respectively. Please see "*Risk Factors – 5. Our business has significant expenses in relation to employee benefits and cash vans and transportation. Any material increase in any of these expenses could affect our ability to competitively price our services, maintain or increase our profitability and results of operations*" on page 28 and "*Risk Factors- 7. Our business is exposed to operational risks for which we have incurred and expect to continue to incur risk costs and penalties. Any material increase in these costs could have an adverse effect on our business, results of operations and financial condition*" on page 30.

Growth of competing modes of payment with cash

Cash continues to be the predominant mode of payment in India and is often preferred by consumers and retailers over other modes of payment, such as cashless payments. In 2020, payments in cash accounted for approximately 89% of payments transactions. In Fiscal Year 2021, approximately 85% to 88% of all transactions by volume were anticipated to be cash transactions. (Source: RBI; Frost & Sullivan) In addition, despite the proliferation of payment options other than cash, such as credit cards, debit cards, POS terminals, UPI, and online payment methods, currency in circulation has grown at a CAGR of 13% from Fiscal Year 2001 to Fiscal Year 2021. However, there could be a reduction in the use of cash as a payment method as alternate payment methods continue to grow in the future. In addition, the RBI and the GoI have publicly stated that they are undertaking initiatives to encourage, among other things, greater adoption of electronic and cashless payment methods, as well as digital currencies, which could reduce the amount of cash in circulation and the use of cash as a mode of payment in India. A decline in the use of cash as a mode of payment or decrease in cash in circulation in India as a result of market trends or future measures by the GoI or otherwise could result in less demand from our banking and other customers for our cash management services, as well as for our managed services, and our customers could postpone or forgo decisions to expand their ATM networks and could even downsize their current ATM networks, which would adversely affect our business, results of operations, cash flow and financial condition. Please see "*Risk Factors – 2. A decrease in the availability or use of cash as the predominant mode of payment in India could have an adverse effect on our business, results of operations, cash flows and financial condition*" on page 25.

Growth of managed services business through expanded service offerings

We have a track record of successfully incubating and building multiple new service lines in areas adjacent to our business, which has allowed us to offer our customers a broader range of services and products, as well as realize synergies within our own managed services business. For example, in 2017, we acquired the business of a small Brown Label ATM services company (including its ATM outsourcing business contracts for 195 ATMs taken over by us) to develop our capacity to provide Brown Label ATM services to mid-sized banks and other customers and have successfully scaled up that business to providing Brown Label ATM services for 3,669 ATMs as of August 31, 2021. In addition, in 2019, we entered the multi-vendor software solutions segment and are now a leading player for multi-vendor software opportunities in India. (Source: Frost & Sullivan) Our recent managed services contract wins include a multi-year software contract win from a public sector bank in 2021 for ALGO OTC software on 6,948 ATMs over five years. We also entered the remote monitoring segment in 2020 and had an order book for 14,920 ATM sites as of August 31, 2021. Most of our managed services contracts are for terms of five to seven years, which normally comes with an option for the banks to extend up to three years until ATMs are no longer fit for purpose, at which point the contract expires, and revenue from our managed services business is largely recurring in nature with 52.45% of revenue from our managed services business in Fiscal 2021 and 65.80% of revenue for the five months ended August 31, 2021 being generated from long-term contracts, which provides high revenue visibility for our managed services business. Our recent managed services contract wins include a Brown Label ATM services contract from SBI in 2020 for ₹10.1 billion covering 3,000 ATMs with a potential for 20% more bonus sites over seven years and a remote monitoring services contract in 2021 for ₹2.17 billion covering 9,520 ATMs with a potential for 20% more bonus sites over five years. We have also won a Brown Label ATM services contract from another public sector bank in 2021 for ₹2.86 billion covering 900 ATMs with a potential for 15% more bonus sites over seven years and a remote monitoring services contract in 2021 for ₹1.24 billion covering 5,400 ATMs over five years. In addition, we also won a contract to license CMS ALGO, our fully automated, mobility based, ATM security application, to two private banks for deployment in ATMs. These recent contract wins and the expansion of our managed services business has meant that our revenue from managed services has grown from 17.21% of our total revenue in Fiscal Year 2019 to 27.88% of our total revenue in Fiscal Year 2021 and to 30.64% of our total revenue for the five months ended August 31, 2021.

Deepening customer relationships through solution-oriented approach

Our platform offers our customers a single point of reference across India for their operations, and we believe our integrated offerings and knowledge of the markets and regional requirements in which they operate enables us to provide customers with better quality services that are customized to their needs and offer them a 'one stop' solution for a variety of their outsourcing needs. This is a competitive advantage not only when we are providing a new service in a different location to an existing customer but also when we are taking on a new customer that requires a broad range of services across a number of different locations. In addition, we believe this drives our results because it increases opportunities to cross sell our services and products, strengthens our relationships with our customers and increases customer engagement and loyalty. We have increased the share of our services that are integrated with other services in our business by shifting our business mix towards providing more integrated end-to-end services for our customers. The benefits of doing this have included being able to offer our customers lower pricing, more reliable service through a single point of accountability, improved advance planning of routes, faster reconciliation and improved days sales outstanding, which is a measure of the average number of days that it takes company to collect payment for sales, as well as increased customer loyalty and reduced customer turnover. Our ability to do this is demonstrated by our track record of winning large and complex customer contracts and expanding the services we provide to our customers, such as SBI, to which we initially only provided ATM cash management services in 2014 and now offer multiple solutions across the cash management value chain, including retail cash management, banking automation products, remote monitoring, Brown Label ATM services, managed services, multi-vendor software services and security solutions for its entire ATM network, passbook kiosks and currency chest services. We also provide customized cash management solutions to customers with specific cash management requirements, such as our contract to provide automated vaults and cash pick-ups in small and remote cities across India for a non-banking financial company. We are also able to leverage our broad service and product offering to realize synergies and efficiencies within our own business, such as through combining deliveries and service visits across the different products and services we offer. Our integrated business platform is also supported by customised technology and process controls, which enables us to tailor our cash management and managed services solutions to our customers, while generating cross-selling opportunities and driving synergies and efficiencies across our business.

Cost management of our employees, our fleet of cash vans and our risk costs

Cost management of our employees and our fleet of cash vans is an important driver of our profitability. For Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, as a percentage of our total expense, employee benefits expense accounted for 21.15%, 18.38%, 18.59% and 17.53%, respectively, and vehicle maintenance, hire and fuel cost accounted for 12.60%, 10.92%, 10.30% and 11.24%, respectively. In Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, we had 8,407, 8,031, 6,943 and 7,447 employees, respectively, and our fleet comprised 3,840, 4,395, 3,911 and 3,965 cash vans, respectively.

The salaries and wages of our employees are subject to wage inflation and other macroeconomic factors that can cause salaries and wages to increase. In addition, the salaries, wages and other benefits of our employees are regulated by government laws and regulations, which can change from time to time. The state governments in India revise the minimum wage rates for different scheduled employments on a regular basis, typically every six months, and the GoI is currently considering a change in the regime pertaining to the minimum wage for workers across all sectors, which could impact the salaries, wages and bonuses we pay to our workforce. The GoI has approved the Code on Wages Bill 2019 and already brought into force the provisions relating to the Central Advisory Board on minimum wages under the Wages Code. The remaining provisions will be implemented as and when notified in the Official Gazette by the GoI. The Wages Code, among other things, gives power to the appropriate government to fix minimum rates of wages payable to all workers in the country and governs the time and manner in which wages are paid across all establishments. In addition, under the Wage Code, the GoI will be fixing a ‘floor wage’, taking into account the minimum living standards of a worker, and the floor wages that are fixed may vary by geographical area. The respective state governments would be required to at least match such ‘floor wage’. Accordingly, there may be an increase in our employee benefit expense in respect of our employees and service and security charges payable by us in respect of personnel provided to us by our third-party service providers and third-party security service providers.

As of August 31, 2021, we had a total of 10 unions representing approximately 4,118 of our employees and personnel provided to us by our third-party service providers and third-party security service providers. We typically negotiate wages and benefits through our negotiations with trade unions under long-term collective bargaining agreements, which typically include agreed wage increases over a three-year period. These negotiations can result in increases in wages or other benefits or changes in the manner in which we manage our business and employees. There can be no assurance that any future long-term settlement agreements will be on terms that are favourable to our Company, or more favourable to our Company than its current long-term settlement agreements or that our labour unions will comply with the terms of any long-term settlement agreements reached, even in circumstances where we comply with our obligations under the relevant long-term settlement agreement. Further, if our relationships with our employees or unions deteriorate, we may experience significant labour unrest, strikes, lockouts or other labour action and work stoppages, which can increase our labour costs and adversely affect our business, results of operations, cash flow and financial condition. However, notwithstanding these upward pricing pressures on our labour costs, we have successfully realized overall decreases in our labour costs by actively managing them, such as by increasing our productivity and the efficiency with which we deploy our resources. For Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, employee benefits expenses accounted for 18.63%, 15.86%, 15.43% and 14.45%, respectively, of our total revenue from operations. In addition, our costs associated with personnel provided by our third-party service providers and third-party security service providers are primarily driven by the fees that these third-party service providers charge us, which may be impacted by similar pricing pressures that we face with respect to our own employees, such as demand and supply of labour in any particular region, regulatory increases in the minimum wage and subsequent pricing demands by third-party service providers or other factors. Any regulatory changes, such as the 2018 MHA Guidelines, which laid down model rules that regulate outsourcing of security services by cash transportation companies, could result in an increase in cost of our third-party service providers and third-party security service providers. If we are unable to promptly pass on any increase in the costs that we pay to our third-party service providers for the services we procure from them, our margins, profitability and results of operations may be adversely affected.

We also rely heavily on our fleet of cash vans to provide our services to our customers. Our cash van expenses primarily include fuel costs, cash van purchase and hire charges, each of which are subject to external macroeconomic pressures over which we do not have control, including the price of fuel, which is linked with international crude oil prices, the prices of the cash vans themselves, which may increase, and government policies, such as in respect of the age of commercial vans that may be used in commercial operations and required modifications to vehicles under the 2018 MHA Guidelines. In addition, we may purchase and/or lease cash vans with debt financing from third-party financial institutions, the terms of which are subject to negotiation with the financial institutions, and generally include interest payable on the borrowed amount. Any increase in interest rates increase the cost of our borrowings where we have not fixed the interest rate. Further, RBI operating standards or any future regulatory changes, including around useful life of cash vans and emissions norms could result in increase in operating cost, as well as, requirement to invest capital to purchase new cash vans. For Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, our vehicle maintenance, hire and fuel cost accounted for 11.09%, 9.42%, 8.55% and 9.27%, respectively, of our total revenue from operations.

In addition, a key aspect of our ability to optimize our business and reduce operational costs is to manage our risk cost through reconciliation processes and comprehensive auditing procedures, which reduce discrepancies and additional costs associated with our operations. We regularly invest in systems and processes in order to reduce and mitigate risk cost. For example, we have developed and deployed a software solution that automates the reconciliation between us and our customers and reduces manual labour, expedites the reconciliation process and drives higher accuracy. During Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, deduction on account of cash shortages, bank's customer claims and breach of service level agreements, among other risk costs, have accounted for approximately 0.96% to 1.12% of our total income. In addition, we account for cash lost in transit, which includes theft, robbery, misappropriation, infidelity and embezzlement by employees or personnel provided by our third-party service providers and third-party security service providers in the course of replenishing ATMs or during transport. Cash lost in transit for Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, was ₹47.76 million, ₹23.97 million, ₹75.32 million and ₹27.02 million respectively. We also made impairment allowances for trade receivables of ₹235.55 million, ₹133.60 million, ₹206.00 million and ₹287.00 million, respectively, in Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021 and additionally trade receivables written off (net) of ₹50.32 million, ₹387.48 million, ₹222.78 million and ₹3.33 million, respectively, in Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021 as a result of customer deductions from the fees paid to us for our services due to failure to meet requirements under applicable service agreements, cash shortages and bank's customer claims. Further, we had impairment allowance for doubtful insurance claims of ₹14.01 million, ₹33.76 million, nil and ₹287.00 million, respectively, in Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, due to the lead time of insurance approvals. We cannot assure you that such risk costs will not increase in the future, in which event our business, results of operations, cash flows and financial condition may be adversely affected. Please see "*Risk Factors – 5. Our business has significant expenses in relation to employee benefits and cash vans and transportation. Any material increase in any of these expenses could affect our ability to competitively price our services, maintain or increase our profitability and results of operations*" on page 28 and "*Risk Factors – 7. Our business is exposed to operational risks for which we have incurred and expect to continue to incur risk costs and penalties. Any material increase in these costs could have an adverse effect on our business, results of operations and financial condition*" on page 30.

Cost management of our service and security requirements

We procure various services from third-party service providers, including from providers of service personnel, such as drivers, custodians, back-office executives and cleaning personnel. To protect our operations and employees, we also procure security services from registered third-party security service providers. In Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, we engaged 13,094, 15,143, 15,006 and 15,203, respectively, personnel (including consultants) from third-party service providers and third-party security service providers. The service and security charges accounted for 28.42%, 25.45%, 24.46% and 25.36% of our total expenses for Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, respectively. Cost management of these expenses is also an important driver of our profitability. Our costs associated with personnel provided by our third-party service providers and third-party security service providers are primarily driven by the fees that these third-party service providers charge us, which may be impacted by similar pricing pressures that we face with respect to our own employees, such as demand and supply of labour in any particular region, regulatory increases in the minimum wage and subsequent pricing demands by third-party service providers or other factors. For Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, service and security charges accounted for 25.03%, 21.95%, 20.30% and 20.91%, respectively, of our total revenue from operations. If we are unable to promptly pass on any increase in the costs that we pay to our third-party service providers and the third-party security service providers for the services we procure from them, our margins, profitability and results of operations may be adversely affected. Further, if we are not able to procure the services provided to us by these third-party service providers in a timely manner, our operations might be adversely affected, which could impact our profitability and results of operations. Please see "*Risk Factors – 11. Our business has significant expenses in relation to services procured from third parties. Any material increase in any of these expenses could affect our ability to competitively price our services, maintain or increase our profitability and results of operations*" on page 34.

Favourable regulatory changes and growth through strategic acquisitions

We believe there have been a number of regulatory changes which could drive ATM growth, better economics of ATM deployment and management, superior operating standards and lower risk cost, as well as the overall maturity and consolidation of the industry we operate in. As of August 1, 2021, the RBI implemented an increase in the interchange fee per ATM transaction from ₹15 to ₹17 for financial transactions in India, which is expected to further support ATM infrastructure growth and deployment, as well as improve the economics across the ATM value chain. In addition, the RBI has implemented certain regulatory operating standards with respect to the handing of cash in India, including making cassette swap mandatory by March 31, 2022. Similarly, the MHA through the 2018 MHA Guidelines has set out standard operating procedures for providing security by private security agencies to cash transportation activities. This has driven consolidation in our industry and we expect our industry to continue to consolidate due to increased regulatory operating standards with respect to the handing of cash, as well as trends in customer preference favouring larger cash management companies with more scaled and stable operations. (Source: Frost & Sullivan) Further, we believe these changes will drive lower risk cost in our business and improvement in pricing in our industry. As the cash management and managed services industry consolidates, we believe that our established track record of acquiring and incubating new businesses and scaling up our business in business areas where we identify opportunities for potential growth will aide our ability to grow our business and increase our market share. However, notwithstanding our track record of successfully completing business acquisitions and optimizing acquired businesses, acquisitions involve a significant number of challenges and there can be no assurance that we will be able to fully realize the anticipated benefits of any future acquisitions successfully within our expected timeframe or at all.

CRITICAL ACCOUNTING POLICIES UNDER IND AS

The discussion and analysis of our financial condition and results of operations are based upon our financial statements, except where otherwise noted. The preparation of these financial statements requires us to make estimates, assumptions and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and accompanying disclosure of contingent liabilities. We evaluate these estimates on an on-going basis. We base our estimates on our historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying amount values of assets and liabilities that are not readily apparent from other sources.

We believe that application of the following critical accounting policies entails the most significant judgments and estimates used in the preparation of our financial statements.

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 Group 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.

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 group 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 personalisation services and allied operations is recognised over time when the required services are rendered in accordance with the contracts or 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.

The Group applies practical expedient in paragraph 121 of IND AS 115 for all contracts entered for revenue from product and services, whereby the Group has the 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. As a result, the Group does not disclose information with respect to the remaining performance obligation of such contracts.

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.

When the Group has a right to consideration for goods or services provided to date, but the billing for such goods or services and their payment will be received after completion of the specified activities, the Company recognizes a contract asset for the consideration to be received.

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.

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 is reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate.

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

Goodwill is tested for impairment annually at the cash-generating unit level.

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. The impairment indicators, the estimation of expected future cash flows and the determination of the fair value of CGU (including Goodwill) 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.

Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation other than the contribution payable to the provident fund. The Group 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 Group makes contributions to a trust administered and managed by an insurance company to fund the gratuity liability. Under this scheme, the obligation to pay gratuity remains with the Group, although insurance company administers the scheme.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group 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.

The cost of the defined benefit plans and the present value of the defined 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.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short term employee benefit. The Group 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 Group 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 Group 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. 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.

Impairment of financial assets

In accordance with Ind AS 109, the Group 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 claim 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.

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 Group 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.

Provisions

Provisions are recognised when the Group 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.

Share Based Payments

Employees (including senior management) of the Group 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.

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 benefit 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 Group'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 benefit 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 Group or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Statement of Profit and Loss.

The Group 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.

RESULTS OF OPERATIONS

The table below sets forth our results of operation derived from our restated financial statements for the five months ended August 31, 2021 and Fiscal Years 2021, 2020 and 2019, expressed in absolute terms and as a percentage of our total income for the periods indicated:

	Five months ended August 31,		**Fiscal Year ended March 31,**					
	2021		**2021**		**2020**		**2019**	
	Amount (*in ₹ millions*)	***Percentage of total income (%)***	***Amount (in ₹ millions)***	***Percentage of total income (%)***	***Amount (in ₹ millions)***	***Percentage of total income (%)***	***Amount (in ₹ millions)***	***Percentage of total income (%)***
Income								
Revenue from operations								

	Five months ended August 31,		Fiscal Year ended March 31,					
	2021		2021		2020		2019	
	Amount (*in ₹ millions*)	*Percentage of total income (%)*	*Amount (in ₹ millions)*	*Percentage of total income (%)*	*Amount (in ₹ millions)*	*Percentage of total income (%)*	*Amount (in ₹ millions)*	*Percentage of total income (%)*
Cash management services	4,179.58	66.37	8,961.25	67.79	9,776.45	70.42	8,905.51	76.82
Managed Services	1,919.06	30.47	3,641.01	27.54	3,622.16	26.09	1,972.11	17.01
Others	164.30	2.61	458.64	3.47	433.77	3.12	583.96	5.04
Total Revenue from Operations	**6,262.94**	**99.46**	**13,060.90**	**98.80**	**13,832.38**	**99.64**	**11,461.59**	**98.86**
Finance Income	16.12	0.26	59.19	0.45	29.28	0.21	14.38	0.12
Other Income	18.17	0.29	99.12	0.75	21.28	0.15	117.22	1.01
Total Income	**6,297.23**	**100.00**	**13,219.21**	**100.00**	**13,882.94**	**100.00**	**11,593.19**	**100.00**
Expenses								
Purchase of traded goods	432.68	6.87	2,069.54	15.66	1,814.60	13.07	1,005.60	8.67
(Increase) / Decrease in inventories	280.10	4.45	(273.06)	(2.07)	98.58	0.71	(113.90)	(0.98)
Employee benefit expenses	904.93	14.37	2,015.84	15.25	2,193.53	15.80	2,134.78	18.41
Finance costs	50.73	0.81	82.32	0.62	73.15	0.53	74.49	0.64
Depreciation and amortization	345.88	5.49	634.55	4.80	565.87	4.08	537.15	4.63
Other expenses	3,148.58	49.99	6,312.52	47.75	7,186.61	51.77	6,455.78	55.69
Total Expenses	**5,162.90**	**81.98**	**10,841.71**	**82.01**	**11,932.33**	**85.95**	**10,093.90**	**87.07**
Profit Before Tax	**1,134.33**	**18.01**	**2,377.50**	**17.99**	**1,950.61**	**14.05**	**1,499.29**	**12.93**
Tax Expense								
- current tax	376.30	6.05	654.46	4.95	540.83	3.90	542.60	4.68
-adjustment of tax relating to earlier years	-	-	11.90	0.09	5.21	0.04	(1.40)	(0.01)
- deferred tax charge / (credit)	(86.67)	1.40	25.91	0.20	57.48	0.41	(3.32)	(0.03)
Total Tax Expense	**289.63**	**4.65**	**692.27**	**5.24**	**603.52**	**4.35**	**537.88**	**4.64**
Profit for the Period/ Year	**844.70**	**13.37**	**1,685.23**	**12.75**	**1,347.09**	**9.70**	**961.41**	**8.29**

Adjusted EBITDA (Non-Ind AS financial measure)

The table below sets forth a full quantitative reconciliation of Adjusted EBITDA to its most direct comparable Ind AS measure, profit for the period/ year.

	Five months ended August 31,	Fiscal Year ended March 31,		
	2021	2021	2020	2019
	(*in ₹ millions*)			
Profit for the period/ year (A)	**844.70**	**1,685.23**	**1,347.09**	**961.41**
Add:				
Finance cost (B)	50.73	82.32	73.15	74.49
Depreciation and amortisation (C)	345.88	634.55	565.87	537.15
Taxes (D)	289.63	692.27	603.52	537.88

	Five months ended August 31,	Fiscal Year ended March 31,		
	2021	2021	2020	2019
	(*in ₹ millions*)			
EBITDA (E) = (A) + (B) + (C) + (D)	**1,530.93**	**3,094.37**	**2,589.64**	**2,110.93**
Add:				
Finance income (F)	(16.12)	(59.19)	(29.28)	(14.38)
Share-based payments to employees(1) (G)	(4.20)	19.61	10.48	43.26
Advance written off (non-operating expenses) (2) (H)	-	-	88.17	-
Adjusted EBITDA (I) = (E) – (F) + (G) + (H)	**1,510.61**	**3,054.80**	**2,659.01**	**2,139.81**

(1) Non-cash expense related to share-based payments to employees.
(2) Non-operating IPO-related expenses (pertaining to a planned IPO in Fiscal Year 2018) recoverable from Sion investment Holdings Pte. Limited, our Promoter Selling Shareholder, written off in financial year ended March 31, 2020. During Fiscal Year 2018, the Company had incurred IPO related expenses amounting to ₹88.17 million which was shown as recoverable from the selling shareholders and classified as advances recoverable in kind or value to be received. The reimbursement was to be deducted from the sale proceeds of a successful IPO. However, given that the Company did not proceed with its IPO plans at that time, this recoverable had been written off during the year ended March 31, 2020.

The table below sets forth a full quantitative reconciliation of Adjusted Profit After Tax to its most direct comparable Ind AS measure, profit for the period/ year.

	Five months ended August 31,	Fiscal Year ended March 31,		
	2021	2021	2020	2019
	(*in ₹ millions*)			
Profit after tax (A)	**844.70**	**1,685.23**	**1,347.09**	**961.41**
Add:				
Shared based payments to Employees(1) (B)	(4.20)	19.61	10.48	43.26
Advance written off (non-operating expenses)(2) (C)	-	-	88.17	-
Tax impact on above adjustments(3) (D)	2.65	(0.98)	(2.64)	(15.12)
Adjusted Profit After Tax (E) = (A) + (B) + (C) + (D)	**843.15**	**1,703.85**	**1,443.10**	**989.55**

(1) Non-cash expense related to share-based payments to employees.
(2) Non-operating IPO-related expenses (pertaining to a planned IPO in Fiscal Year 2018) recoverable from Sion investment Holdings Pte. Limited written off in financial year ended March 31, 2020. During Fiscal Year 2018, the Company had incurred IPO related expenses amounting to ₹88.17 million which was shown as recoverable from the selling shareholders and classified as advances recoverable in kind or value to be received. The reimbursement was to be deducted from the sale proceeds of a successful IPO. However, given that the Company did not proceed with its IPO plans at that time, this recoverable had been written off during the year ended March 31, 2020.
(3) Tax adjustments in relation to non-cash expense related to 2016 ESOP Schemes and non-operating IPO-related advance written off.

Adjusted EBITDA and Adjusted Profit After Tax data has been included as supplemental disclosure because we believe they are useful indicators of our operating performance. However, because Adjusted EBITDA and Adjusted Profit After Tax are not determined in accordance with Ind AS, such measures are susceptible to varying calculations, and not all companies calculate the measures in the same manner. As a result, Adjusted EBITDA and Adjusted Profit After Tax as presented may not be directly comparable to similarly titled measures presented by other companies.

These non-Ind AS financial measures have limitations as analytical tools. Some of these limitations are: they do not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments; they do not reflect changes in, or cash requirements for, our working capital needs; they do not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments on our debt; although depreciation and amortisation are noncash charges, the assets being depreciated and amortised will often have to be replaced in the future, and these measures do not reflect any cash requirements for such replacements; and other companies in our industry may calculate Adjusted EBITDA and Adjusted Profit After Tax differently than we do, limiting their usefulness as a comparative measure. Because of these limitations, Adjusted EBITDA and Adjusted Profit After Tax should not be considered in isolation or as a substitute for performance measures calculated in accordance with Ind AS.

PRINCIPAL COMPONENTS OF STATEMENT OF PROFIT AND LOSS

Income

Revenue from operations

We generate substantially all of our revenue from operations from the following three segments:

- *Cash management services*, which include end-to-end ATM replenishment services, cash pick-up and delivery; network cash management services (together known as "retail cash management services") and inter-city and intra-city movement of currency, and cash-in-transit services for banks;

- *Managed services*, which include banking automation product sales and deployment; end-to-end Brown Label deployment and managed services for banks; common control systems and software solutions, including multi-vendor software solutions and other security and automation software solutions; as well as remote monitoring for ATMs; and

- *Others*, which include end-to-end financial cards issuance and management for banks and card personalization services.

Finance income

Our finance income includes interest income from fixed deposits with banks, interest on income tax refund and interest from financial assets (measured at amortized cost using EIR basis) like security deposits for premises lease.

Other income

Our other income includes sundry credit balances written back, which comprises primarily balances not payable to creditors for their failure to meet service level or performance standards and miscellaneous income, which comprises profit on sale of fixed assets, recovery from insurance claims and doubtful debts.

Expenses

Purchase of traded goods

Purchase of traded goods comprise procurement cost for ATMs, ATM site related plant and equipment and financial cards.

Decrease in inventories

Decrease in inventories comprise net decreases in inventory levels of ATMs and ATM site related plant and equipment and financial cards.

Employee benefit expense

Employee benefit expense include salaries, wages and bonuses paid to employees, contributions to provident fund and other funds, gratuity expense in relation to gratuity paid at the time of retirement/resignation of employees, share based payments to employees and staff welfare expenses.

Finance costs

Finance costs primarily include interest on borrowings; interest on lease liability; other borrowing costs which includes processing fees for loan facilities; and unwinding of discount on warranty.

Depreciation and amortization expense

Depreciation and amortization expense includes the depreciation and amortization of plant and machinery; electrical installations; furniture, fixtures and fittings; vehicles; office equipment; leasehold improvements; computers and peripherals; non-compete fee; computer software; customer contracts; and right of use assets.

Other expenses

Other expenses primarily include service and security charges for personnel from third-party service providers and third-party security service providers; vehicle maintenance, hire and fuel costs; conveyance and travelling expenses; consumption of stores and spares; lease rentals; legal, professional and consultancy fees; and others which includes insurance, communication costs, power and electricity, freight and forwarding charges, cash disposal charges, and printing and stationery charges.

Five months ended August 31, 2021

Income

Revenue from operations

The table below sets forth details in relation to our revenue from operations in the five months ended August 31, 2021.

	Five months ended August 31, 2021	
	Amount (in ₹ millions)	**Percentage of total income (%)**
Revenue from Operations		
Cash management services	4,179.58	66.37
Managed Services	1,919.06	30.47
Others	164.30	2.61
Total revenue from operations	**6,262.94**	**99.46**

Our revenue from operations for the five months ended August 31, 2021 was ₹6,262.94 million, which was largely a result of revenue generated by our cash management services segment and, to a lesser extent, our managed services and Others segment.

Revenue from our cash management services segment for the five months ended August 31, 2021 was ₹4,179.58 million, or 66.37% of our total income. The number of ATMs our Company serviced was 62,919 as of March 31, 2021 and increased to 66,431 as of August 31, 2021, while the number of RCM points we serviced was 40,249 as of March 31, 2021 and increased to 42,715 as of August 31, 2021. Our revenue from cash management services during the period was also affected by a resurgence in the daily number of new COVID-19 cases in April and May 2021 and resulting deaths and GoI and state government lockdowns and other restrictive measures imposed to stop the resurgence of new infections, which significantly impacted our retail cash management customers, especially in sectors involving discretionary spending, such as travel and retail. We were able to offset resulting decreases in activity through our continued productivity gains from synergies in our ATM cash management business. Our segment result for our cash management services segment was ₹985.85 million in the five months ended August 31, 2021.

Revenue from our managed services segment for the five months ended August 31, 2021 was ₹1,919.06 million, or 30.47% of our total income, which primarily comprised revenue from the deployment of machines under maintenance ("AMC") and our Brown Label ATM business. Our Company had 23,305 machines under AMC services as of March 31, 2021, which increased by 2,889 machines to 26,194 machines under AMC services as of August 31, 2021, and we had 3,120 Brown Label ATMs as of March 31, 2021, which increased by 549 to 3,669 Brown Label ATMs as of August 31, 2021 . The increase in the number of Brown Label ATMs during the period

was primarily due to our contract with SBI for Brown Label ATM services and the increase in machines under AMC services was primarily due to more machines coming under AMC services during the period. Our segment result for our managed services segment was ₹273.03 million in the five months ended August 31, 2021.
Revenue from our others segment for the five months ended August 31, 2021 was ₹164.30 million, or 2.61% of our total income, which primarily comprised revenue from our card personalization services of ₹109.40 million and trading revenues of ₹54.90 million. Our segment result for our others segment was ₹4.79 million in the five months ended August 31, 2021.

Finance income

Our finance income for the five months ended August 31, 2021 was ₹16.12 million, or 0.26% of our total income, which primarily comprised interest earned on fixed deposits of ₹15.14 million.

Other income

Our other income for the five months ended August 31, 2021 was ₹18.17 million, or 0.29% of our total income, which primarily comprised profit on sale of current investments in mutual fund units of ₹8.36 million, net change in fair value of current investments measured at FVTPL of ₹4.90 million and foreign exchange gain (net) of ₹3.27 million.

Expenses

	Five months ended August 31, 2021	
	Amount (in ₹ millions)	**Percentage of total income (%)**
Expenses		
Purchase of traded goods	432.68	6.87
(Increase)/Decrease in inventories	280.10	4.45
Employee benefit expense	904.93	14.37
Finance costs	50.73	0.81
Depreciation and amortization	345.88	5.49
Other expenses	3,148.58	50.00
Total Expenses	**5,162.90**	**81.99**

Our total expenses for the five months ended August 31, 2021 was ₹5,162.90 million, or 81.99% of our total income.

Purchase of traded goods

Our purchase of traded goods for the five months ended August 31, 2021 was ₹432.68 million, or 6.87% of our total income, and was primarily comprised of purchases related to ATM and ATM sites and related spares.

(Increase)/Decrease in inventories

Our decrease in inventories of ₹280.10 million for the five months ended August 31, 2021 primarily related to lower closing inventory of ATM and ATM site-related plant and equipment as a result of sales of ATM and ATM site-related plant and equipment, including ATM and ATM site-related plant and equipment included in the opening inventory for the period..

Employee benefit expense

The table below sets forth details in relation to our employee benefit expense for the five months ended August 31, 2021.

	Five months ended August 31, 2021	
	Amount (in ₹ millions)	**Percentage of total income (%)**
Employee benefit expense		
Salaries, wages and bonus	817.50	12.98
Contribution to provident and other funds	62.36	0.99
Gratuity expense	14.18	0.23

	Five months ended August 31, 2021	
	Amount (in ₹ millions)	Percentage of total income (%)
Share based payments to employees	(4.20)	0.07
Staff welfare expenses	15.09	0.24
Total Employee benefit expense	**904.93**	**14.37**

Our employee benefit expense for the five months ended August 31, 2021 was ₹904.93 million, or 14.37% of our total income, which primarily comprised salaries, wages and bonuses. The number of our employees increased during the period from 6,943 as of March 31, 2021 to 7,447 as of August 31, 2021.

Finance costs

Our finance costs for the five months ended August 31, 2021 was ₹50.73 million, or 0.81% of our total income, and was primarily comprised of interest cost as a result of interest on lease liabilities from our Brown Label ATM estate.

Depreciation and amortization expense

Our depreciation and amortization expense for the five months ended August 31, 2021 was ₹345.88 million, or 5.49% of our total income, and was primarily comprised of depreciation in relation to our capital expenditures on Brown Label ATMs, amortization of customer contracts, and right of use depreciation under Ind AS 116.

Other expenses

The table below sets forth details in relation to our other expenses for the five months ended August 31, 2021.

	Five months ended August 31, 2021	
	Amount (in ₹ millions)	Percentage of total income (%)
Other Expenses		
Service and security charges	1,309.37	20.79
Vehicle maintenance, hire and fuel cost	580.32	9.22
Conveyance and traveling expenses	296.96	4.72
Consumption of stores and spares	112.71	1.79
Legal, professional and consultancy fees	82.44	1.31
Annual maintenance charges	135.80	2.16
Insurance	71.25	1.13
Trade receivables written off (net of provision of earlier years)	3.33	0.05
Impairment allowance for bad and doubtful receivables and deposits	287.00	4.56
Cash disposal charges	51.25	0.81
Others(1)	218.15	3.47
Total Other Expenses	**3,148.58**	**50.00**

(1) Others includes courier, freight and forwarding charges, power and electricity charges, communication costs, advances written off, expenditure on corporate social responsibility, cash lost in transit (net), repairs and maintenance and other miscellaneous expenses.

Our other expenses for the five months ended August 31, 2021 was ₹3,148.58 million, or 50.00% of our total income. Service and security charges were in relation to costs for personnel (including consultants) from third-party service providers and third-party security service providers, the number of which increased from 15,006 personnel as at March 31, 2021 to 15,203 personnel as at August 31, 2021 in part as a result of an increase in business activity, which also impacted conveyance and travelling expenses during the period. Vehicle maintenance, hire and fuel costs were in relation to our vehicle fleet, which increased from 3,911 vans as of March 31, 2021 to 3,965 vans as of August 31, 2021. In addition, we had impairment allowance for bad and doubtful receivables and deposits due to higher provisions for specific doubtful debts and our insurance expenses were on account of the sum assured under our money-in-transit insurance policy. Our annual maintenance charges related primarily to the number of machines undergoing maintenance, which increased from 23,305 as of March 31, 2021 to 26,194 as of August 31, 2021.

Other expenses for the five months ended August 31, 2021 were ₹218.15 million, or 3.46% of our total income, and were primarily comprised of cash lost in transit, repairs and maintenance-others and advances and other debt balance written off.

Profit before tax

As a result of the foregoing, our restated profit before tax for the five months ended August 31, 2021 was ₹1,134.33 million.

Tax expense

Our tax expense for the five months ended August 31, 2021 was ₹289.63 million.

Profit for the five months ended August 31, 2021

As a result of the foregoing, profit for the five months ended August 31, 2021 was ₹844.70 million. Our effective income tax rate, which is calculated as total tax expense divided by profit before tax, was 25.53% in the five months ended August 31, 2021.

Fiscal Year 2021 compared to Fiscal Year 2020

Income

Revenue from operations

	Fiscal Year ended March 31,			
	2021		2020	
	Amount (in ₹ millions)	Percentage of total income (%)	Amount (in ₹ millions)	Percentage of total income (%)
Revenue from Operations				
Cash management services	8,961.25	68.61	9,776.45	70.67
Managed Services	3,641.01	27.54	3,622.16	26.09
Others	458.64	3.47	433.77	3.12
Total revenue from operations	**13,060.90**	**98.80**	**13,832.38**	**99.64**

Our revenue from operations decreased by ₹771.48 million, or 5.58%, from ₹13,832.38 million for Fiscal Year 2020 to ₹13,060.90 million for Fiscal Year 2021, due to a decrease in our cash management services revenue, which was offset in part by an increase in revenue generated by our managed services business and others segment.

Revenue from our cash management services segment decreased by ₹815.19 million, or 8.34% from ₹9,776.45 million for Fiscal Year 2020 to ₹8,961.25 million for Fiscal Year 2021, primarily due to the COVID-19 pandemic, which emerged in late 2019 and impacted our business operations and the operations of our customers as a result of the restrictions implemented to reduce the spread of COVID-19. During Fiscal Year 2021, our ATM and retail cash management services decreased as a result of sporadic lockdowns and other restrictions, in particular in the months from April to June 2020, which significantly impacted our retail cash management customers, especially in sectors involving discretionary spending, such as travel and retail. With respect to our ATM cash management services, we were able to offset the decrease in activity through our acquisition of Logicash and resulting productivity gains from synergies in our ATM cash management business. Our segment result for our cash management services segment increased by ₹373.65 million, or 22.43%, from ₹1,666.17 million for Fiscal Year 2020 to ₹2,039.81 million for Fiscal Year 2021 primarily due to our increased focus on productivity and efficiencies within our business in response to COVID-19 in order to maintain our profitability, as well as cost management initiatives, including temporary wage cuts for certain months, and price increases for certain of our cash management contracts.

Revenues from our managed services segment increased by ₹18.85 million or 0.52% for Fiscal Year 2021, from ₹3,622.16 million for Fiscal Year 2020 to ₹3,641.01 million for Fiscal Year 2021, primarily due to an increase in revenue from product sales and banking automation product sales and services, which was offset by a decrease in revenue from our multi-vendor software solutions project, while our overall revenue from our Brown Label business increased slightly primarily driven by a new Brown Label project for SBI, which was offset in part by decreases in revenue from other Brown Label customers due to COVID-19 and related lockdowns and restrictions. Our segment result for our managed services segment decreased by ₹87.39 million, or 13.77%, from ₹634.66 million for Fiscal Year 2020 to ₹547.27 million for Fiscal Year 2021 due to changes in the mix of product sales and banking automation product sales and services.

Revenues from our others segment increased by ₹24.87 million or 5.73% for Fiscal Year 2021, from ₹433.77 million for Fiscal Year 2020 to ₹458.64 million for Fiscal Year 2021, primarily due to an increase in trading revenue of cards, which was offset in part by a decrease in cards personalization revenue. Our segment result for our other services segment decreased by ₹11.92 million, or 23.92%, from ₹49.83 million for Fiscal Year 2020 to ₹37.91 million for Fiscal Year 2021 primarily due to a changes in the mix of personalization and trading revenue and as a result of sporadic lockdowns and other restrictions due to the COVID-19 crisis, in particular in the months from April to June 2020, which significantly impacted our operations.

Finance Income

Our finance income increased by ₹29.91 million, or 102.15%, from ₹29.28 million for Fiscal Year 2020 to ₹59.19 million for Fiscal Year 2021, primarily due to an increase in interest income from bank deposits due to an increase in bank deposits that resulted from an increase in available cash from cash flows.

Other income

Our other income increased by ₹77.84 million, or 365.79%, from ₹21.28 million for Fiscal Year 2020 to ₹99.12 million for Fiscal Year 2021, primarily due to an increase in credit balances not payable to service providers that resulted from their failure to meet service level or performance standards, as well as a lease rent concession in relation to rental waivers and rental reductions received from landlords during the COVID-19 lockdown periods and foreign exchange gain on account of exchange rate differences on settlements and revaluations by foreign creditors at year end.

Expenses

	Fiscal Year ended March 31,			
	2021		**2020**	
	Amount (in ₹ millions)	**Percentage of total income (%)**	**Amount (in ₹ millions)**	**Percentage of total income (%)**
Expenses				
Purchase of traded goods	2,069.54	15.66	1,814.60	13.07
(Increase) / Decrease in inventories	(273.06)	(2.07)	98.58	0.71
Employee benefit expenses	2,015.84	15.25	2,193.53	15.80
Finance costs	82.32	0.62	73.15	0.53
Depreciation and amortization	634.55	4.80	565.87	4.08
Other expenses	6,312.52	47.75	7,186.61	51.77
Total Expenses	**10,841.71**	**82.01**	**11,932.33**	**85.95**

Our total expenses decreased by ₹1,090.62 million, or 9.14%, from ₹11,932.33 million for Fiscal Year 2020 to ₹10,841.71 million for Fiscal Year 2021. The decrease in our total expenses is primarily due to a decrease in the impact of change in inventories, employee benefit expense and other expenses driven in part by increase in productivity, which resulted in decreases in employee benefit expense, cash van expenses and outsourced service provider expenses. The decrease was partially offset by an increase in purchase of traded goods, finance costs and depreciation and amortization.

Purchase of traded goods

Purchase of traded goods increased by ₹254.94 million, or 14.05%, from ₹1,814.60 million for Fiscal Year 2020 to ₹2,069.54 million for Fiscal Year 2021, primarily due to an increase in inventories of ₹(273.06) million for Fiscal Year 2021.

(Increase)/Decrease in inventories

Impact of change in inventories increased by ₹371.64 million from a decrease in inventories of ₹98.58 million for Fiscal Year 2020 to an increase in inventories of ₹(273.06) million for Fiscal Year 2021, primarily due to higher closing inventory of ATM and ATM site-related plant and equipment as a result of more orders of deployment in hand and due to a delay in customer confirmations of installations due to the COVID-19 crisis.

Employee benefit expense

	Fiscal Year ended March 31,			
	2021		2020	
	Amount (in ₹ millions)	Percentage of total income (%)	Amount (in ₹ millions)	Percentage of total income (%)
Employee benefit expense				
Salaries, wages and bonus	1,779.35	13.46	1,943.44	14.00
Contribution to provident and other funds	145.59	1.10	158.06	1.14
Gratuity expense	32.96	0.25	33.51	0.24
Share based payments to employees	19.61	0.15	10.48	0.08
Staff welfare expenses	38.33	0.29	48.04	0.35
Total employee benefit expense	**2,015.84**	**15.25**	**2,193.53**	**15.80**

Employee benefit expense decreased by ₹177.69 million, or 8.10%, from ₹2,193.53 million for Fiscal Year 2020 to ₹2,015.84 million for Fiscal Year 2021, primarily due to decrease in the number of average employees during the year led by reduction in average activities due to COVID-19 impact.

Finance costs

Our finance costs increased by ₹9.17 million, or 12.54%, from ₹73.15 million for Fiscal Year 2020 to ₹82.32 million for Fiscal Year 2021, primarily due to an increase in interest cost as a result of an increase in interest on lease liabilities from our Brown Label ATM estate.

Depreciation and amortization expense

Depreciation and amortization expense increased by ₹68.68 million, or 12.14%, from ₹565.87 million for Fiscal Year 2020 to ₹634.55 million for Fiscal Year 2021, primarily due to depreciation in relation to our capital expenditures on Brown Label ATMs, amortization of customer contracts, and right of use depreciation under Ind AS 116.

Other expenses

	Fiscal Year ended March 31,			
	2021		2020	
	Amount (in ₹ millions)	Percentage of total income (%)	Amount (in ₹ millions)	Percentage of total income (%)
Other Expenses				
Service and security charges	2,651.89	20.06	3,036.58	21.87
Vehicle maintenance, hire and fuel cost	1,116.84	8.45	1,303.13	9.39
Conveyance and traveling expenses	567.67	4.29	792.17	5.71
Consumption of stores and spares	231.62	1.75	234.34	1.69
Legal, professional and consultancy fees	183.92	1.39	172.13	1.24
Annual maintenance charges	233.59	1.76	179.60	1.29
Insurance	205.07	1.55	137.04	0.98
Trade receivables written off (net of provision of earlier years)	222.78	1.69	387.48	2.79
Impairment allowance for bad and doubtful receivables and deposits	206.00	1.56	133.60	0.96
Cash disposal charges	156.01	1.18	196.64	1.42
Others(1)	537.13	4.06	613.90	4.42
Total Other Expenses	**6,312.52**	**47.75**	**7,186.61**	**51.77**

(2) Others includes courier, freight and forwarding charges, power and electricity charges, communication costs, advances written off, expenditure on corporate social responsibility, cash lost in transit (net), repairs and maintenance and other miscellaneous expenses.

Other expenses decreased by ₹874.09 million, or 12.16%, from ₹7,186.61 million for Fiscal Year 2020 to ₹6,312.52 million for Fiscal Year 2021, primarily due to a ₹384.69 million decrease in service and security charges due to reduced hiring of third party service providers and third-party security service providers as a result of activity reduction due to the COVID-19 pandemic; a ₹224.50 million reduction in conveyance and travelling expenses due to travel restrictions implemented as a result of the COVID-19 pandemic; a ₹186.29 million decrease in vehicle maintenance, hire and fuel costs in relation to our cash vans due to reduction in activities driven by COVID-19; a ₹164.70 million decrease in trade receivables written off (net of provision of earlier years) as a result of the prior year impact in Fiscal Year 2020 of the change of RBI regulations to shorten the reconciliation period requiring banks and MSPs to complete all pending reconciliations, leading to increased trade receivables written off (net of provision of earlier years) in Fiscal Year 2020; a ₹40.63 million decrease in cash disposal charges in relation to a decrease in expenses due to a corresponding decrease in cash management revenue due to the Covid-19 crisis in Fiscal Year 2021. These decreases were offset by a ₹72.40 million increase in impairment allowance for bad and doubtful receivables and deposits due to higher provisions for specific doubtful debts and a ₹68.03 million increase in insurance due to an increase in the sum assured under our money-in-transit insurance policy leading to an increase in annual premium and vehicle premium due to an increase in our number of cash vans, and a ₹53.99 million increase in annual maintenance charges in relation to an increase in the number of machines undergoing maintenance compared to Fiscal Year 2020.

Other expenses has decreased from ₹613.90 million for Fiscal 2020 to ₹537.13 million for Fiscal 2021 primarily due to a decrease in non-operating advance written-off, which was partially offset due to an increase in cash lost in transit and higher expenditure on corporate social responsibility.

Profit before tax

As a result of the foregoing, our profit before tax increased by ₹426.89 million, or 21.88%, from ₹1,950.61 million for Fiscal Year 2020 to ₹2,377.50 million for Fiscal Year 2021.

Tax expense

Our total tax expense increased by ₹88.75 million, or 14.71% from ₹603.52 million for Fiscal Year 2020 to ₹692.27 million for Fiscal Year 2021 as a result of higher profit before tax.

Profit for the year

As a result of the foregoing, profit for the year increased by ₹338.14 million, or 25.10%, from ₹1,347.09 million for Fiscal Year 2020 to ₹1,685.23 million for Fiscal Year 2021. Our effective income tax rate, which is calculated as total tax expense divided by profit before tax, decreased from 30.94% in Fiscal Year 2020 to 29.12% in Fiscal year 2021.

Fiscal Year 2020 compared to Fiscal Year 2019

Income

Our revenue from operations increased by ₹2,370.79 million, or 20.68%, from ₹11,461.59 million for Fiscal Year 2019 to ₹13,832.38 million for Fiscal Year 2020 primarily due to an increase of ₹1,650.05 million in revenues in Fiscal Year 2020 in relation to our managed services business and an increase of ₹870.94 million in revenues in relation to our cash management services business.

Revenue from operations

	Fiscal Year ended March 31,			
	2020		**2019**	
	Amount (in ₹ millions)	**Percentage of total income (%)**	**Amount (in ₹ millions)**	**Percentage of total income (%)**
Revenue from Operations				
Cash management services	9,776.45	70.67	8,905.51	77.69
Managed Services	3,622.16	26.09	1,972.11	17.01
Others	433.77	3.12	583.96	5.04
Total revenue from operations	**13,832.38**	**99.64**	**11,461.59**	**98.86**

Revenue from our cash management services segment increased by ₹870.93 million, or 9.78% from ₹8,905.51 million for Fiscal Year 2019 to ₹9,776.45 million for Fiscal Year 2020, primarily due to an increase in ATM and retail cash management points and cash-in-transit cash vans, as well as an increase in activity in our retail cash management and cash-in-transit businesses. Our segment result for our cash management services segment increased by ₹262.91 million, or 18.74%, from ₹1,403.26 million for Fiscal Year 2019 to ₹1,666.17 million for Fiscal Year 2020 primarily due to an increase in productivity and cost controls.

Revenues from our managed services segment increased by ₹1,650.05 million or 83.67% for Fiscal Year 2020, from ₹1,972.11 million for Fiscal Year 2019 to ₹3,622.16 million for Fiscal Year 2020 primarily due to an increase in product sales and banking automation product sales revenue and revenue from multi-vendor software solutions, which started as a new business line in Fiscal Year 2020. Our segment result for our managed services segment increased by ₹283.77 million, or 80.87%, from ₹350.89 million for Fiscal Year 2019 to ₹634.66 million for Fiscal Year 2020.

Revenues from our others segment decreased by ₹150.19 million or 25.72% for Fiscal Year 2020, from ₹583.96 million for Fiscal Year 2019 to ₹433.77 million for Fiscal Year 2020, primarily due to a decrease in trading volumes in our cards business and a decrease in revenues from card personalization as a result of a card personalization project being completed in Fiscal Year 2020. Our segment result for our other services segment decreased by ₹29.24 million, or 36.98%, from ₹79.07 million for Fiscal Year 2019 to ₹49.83 million for Fiscal Year 2020.

Finance Income

Our finance income increased by ₹14.90 million, or 103.62%, from ₹14.38 million for Fiscal Year 2019 to ₹29.28 million for Fiscal Year 2020, primarily due to interest on income tax refund and an increase in interest income from bank deposits due to an increase in bank fixed deposits as a result of an increase in available cash from cash flows.

Other income

Our other income decreased by ₹95.94 million, or 81.85%, from ₹117.22 million for Fiscal Year 2019 to ₹21.28 million for Fiscal Year 2020, primarily due to a decrease in sundry credit balances not payable to creditors for their failure to meet service level or performance standards and a decrease in profit on sale of current investments as a result of lower returns on our mutual fund investments.

Expenses

	Fiscal Year ended March 31,			
	2020		**2019**	
	Amount (in ₹ millions)	**Percentage of total income (%)**	**Amount (in ₹ millions)**	**Percentage of total income (%)**
Expenses				
Purchase of traded goods	1,814.60	13.07	1,005.60	8.67
(Increase) / Decrease in inventories	98.58	0.71	(113.90)	(0.98)
Employee benefit expenses	2,193.53	15.80	2,134.78	18.41
Finance costs	73.15	0.53	74.49	0.64
Depreciation and amortization	565.87	4.08	537.15	4.63
Other expenses	7,186.61	51.77	6,455.78	55.69
Total expenses	**11,932.33**	**85.95**	**10,093.90**	**87.07**

Our total expenses increased by ₹1,838.43 million, or 18.21%, from ₹10,093.90 million for Fiscal Year 2019 to ₹11,932.33 million for Fiscal Year 2020. The increase in our total expenses is primarily due to an increase in purchase of traded goods, an increase in employee benefit expenses and an increase in other expenses, which was offset in part by a decrease in inventories.

Purchase of traded goods

Purchase of traded goods increased by ₹809.00 million, or 80.45%, from ₹1,005.60 million for Fiscal Year 2019 to ₹1,814.60 million for Fiscal Year 2020, primarily due to an increase in revenues from sales of ATM spares and related products and an increase in revenues from ATMs and ATM sites as a result of an increase in banking automation product deployments to 7,255 products in Fiscal Year 2020 from 3,857 products in Fiscal Year 2019, as well as an increase in revenues from our multi-vendor software solutions projects.

(Increase)/Decrease in inventories

Change in inventories increased by ₹212.48 million in Fiscal Year 2020, primarily due to increase in consumption of inventories due to increased deployments.

Employee benefit expense

	Fiscal Year ended March 31,			
	2020		**2019**	
	Amount (in ₹ millions)	**Percentage of total income (%)**	**Total Amount (in ₹ millions)**	**Percentage of total income (%)**
Employee benefit expense				
Salaries, wages and bonus	1,943.44	14.00	1,854.28	15.99
Contribution to provident and other funds	158.06	1.14	151.62	1.31
Gratuity expense	33.51	0.24	31.93	0.28
Share based payments to employees	10.48	0.08	43.26	0.37
Staff welfare expenses	48.04	0.35	53.69	0.46
Total employee benefit expense	**2,193.53**	**15.80**	**2,134.78**	**18.41**

Our employee benefit expense increased by ₹58.75 million, or 2.75%, from ₹2,134.78 million for Fiscal Year 2019 to ₹2,193.53 million for Fiscal Year 2020, primarily driven by annual increase in salaries, wages and bonus and corresponding increase in contribution to provident and other funds partially offset by increase in productivity and cost controls in the our cash management services business, as well as a decrease in share based payments to employees and a decrease in staff welfare expenses. Employee benefit expenses as a percentage of total income decreased from 18.41% in Fiscal Year 2019 to 15.80% in Fiscal Year 2020 primarily due to increase in productivity and cost controls in our cash management services segment and an increase in product sales and revenue from banking automation and multi-vendor software solutions in our managed services segment without a proportionate increase in employment headcount.

Finance costs

Our finance costs decreased slightly by ₹1.34 million, or 1.80%, from ₹74.49 million for Fiscal Year 2019 to ₹73.15 million for Fiscal Year 2020, primarily due to a decrease in interest on lease liability and an unwinding of discount on warranty in Fiscal Year 2019, which was offset in part by an increase in interest on bank overdraft.

Depreciation and amortization expense

Depreciation and amortization expense increased by ₹28.72 million, or 5.35%, from ₹537.15 million for Fiscal Year 2019 to ₹565.87 million for Fiscal Year 2020, primarily due to an increase in depreciation on plant and machinery in Fiscal Year 2020 as a result of higher capital expenditures on Brown Label ATMs in Fiscal Year 2020.

Other expenses

	Fiscal Year ended March 31,			
	2020		**2019**	
	Amount (in ₹ millions)	**Percentage of total income (%)**	**Total Amount (in ₹ millions)**	**Percentage of total income (%)**
Other Expenses				
Service and security charges	3,036.58	21.87	2,868.83	24.75
Vehicle maintenance, hire and fuel cost	1,303.13	9.39	1,271.38	10.97

	Fiscal Year ended March 31,			
	2020		2019	
	Amount (in ₹ millions)	**Percentage of total income (%)**	**Total Amount (in ₹ millions)**	**Percentage of total income (%)**
Conveyance and traveling expenses	792.17	5.71	792.53	6.84
Consumption of stores and spares	234.34	1.69	258.16	2.23
Legal, professional and consultancy fees	172.13	1.24	124.99	1.08
Annual maintenance charges	179.60	1.29	140.21	1.21
Insurance	137.04	0.99	129.22	1.11
Trade receivables written off (net of the provision of earlier year)	387.48	2.79	50.32	0.43
Impairment allowance for bad and doubtful receivables and deposits	133.60	0.96	235.55	2.03
Cash disposal charges	196.64	1.42	37.73	0.33
Others(1)	613.90	4.42	546.86	4.72
Total other expenses	**7,186.61**	**51.77**	**6,455.78**	**55.69**

(1) Others includes courier, freight and forwarding charges, power and electricity charges, communication costs, advances written off, expenditure on corporate social responsibility, cash lost in transit (net), repairs and maintenance and other miscellaneous expenses.

Other expenses increased by ₹730.83 million, or 11.32%, from ₹6,455.78 million for Fiscal Year 2019 to ₹7,186.61 million for Fiscal Year 2020, primarily due to a ₹167.75 million increase in service and security charges primarily driven by an increase in count of personnel from third-party service providers and third-party security service providers from 14,439 in Fiscal Year 2019 to 15,418 in Fiscal Year 2020; a ₹47.14 million increase in legal, professional and consultancy fees due to acquisitions of new businesses; a ₹158.91 million increase in cash disposal charges related to an increase in our cash management business and an increase in related rates in the last quarter of Fiscal Year 2020; a ₹337.16 million increase in trade receivables written off (net of the provision of earlier year) partially as a result of the change in RBI regulations to shorten reconciliation period requiring banks and MSPs to complete all pending reconciliations, leading in increased trade receivables written off (net of provision of earlier years) in Fiscal Year 2020; a ₹39.39 million increase in annual maintenance charges related to an increase in the number of machines undergoing maintenance compared to Fiscal Year 2019, and a ₹31.75 million increase in vehicle maintenance, hire and fuel cost due to increase in activity. This increase was offset in part by a ₹101.95 million decrease in impairment allowance for bad and doubtful receivables and deposit and a ₹23.82 million decrease in consumption of stores and spares.

Profit before tax

As a result of the foregoing, our profit before tax increased by ₹451.32 million, or 30.10%, from ₹1,499.29 million for Fiscal Year 2019 to ₹1,950.61 million for Fiscal Year 2020.

Tax expense

Our tax expense increased by ₹65.64 million, or 12.20%, from ₹537.88 million for Fiscal Year 2019 to ₹603.52 million for Fiscal Year 2020, primarily due to a deferred tax charge as a result of changes in our applicable tax rate from 34.94% in Fiscal Year 2019 to 25.17% in Fiscal Year 2020.

Profit for the year

As a result of the foregoing, profit for the year increased by ₹385.68 million, or 40.12%, from ₹961.41 million for Fiscal Year 2019 to ₹1,347.09 million for Fiscal Year 2020. Our effective income tax rate, which is calculated as total tax expense divided by profit before tax, decreased from 35.88% in Fiscal Year 2019 to 30.94% in Fiscal Year 2020.

OUR FINANCIAL POSITION

Net Worth

Our net worth increased by ₹1,340.85 million from ₹8,503.91 million as of March 31, 2020 to ₹9,844.76 million as at March 31, 2021 primarily due to the increase in profit after tax in Fiscal Year 2021 compared to Fiscal Year 2020. Our net worth was ₹10,593.69 million as of August 31, 2021.

Current Assets

Our total current assets increased by ₹1,606.69 million from ₹8,196.57 million as of March 31, 2020 to ₹9,803.25 million as of March 31, 2021 primarily due to a change in the mix of our investments from deposits in Fiscal Year 2020 to mutual funds in Fiscal Year 2021, which lead to an increase in current assets by ₹556.32 million; an increase in inventories due to unexecuted orders in hand by ₹464.29 million; an increase in trade receivables by ₹521.04 million and an increase in cash and cash equivalents and bank balances by ₹39.99 million. Our total current assets decreased by ₹911.05 million from ₹9,803.25 million as of March 31, 2021 to ₹8,892.20 million as of August 31, 2021 primarily due to a decrease in cash and cash equivalents and bank balances by ₹639.88 million; a change in the mix of our investments in mutual funds in the five months ended August 31, 2021, which led to a decrease in current assets by ₹507.26 million; and a decrease in inventories of ₹329.76 million due to sales of ATM and ATM site-related plant and equipment. The decreases in our current assets from March 31, 2021 to August 31, 2021 were offset in part by an increase in trade receivables by ₹546.48 million.

Non-Current Assets

Our total non-current assets increased by ₹1,184.04 million from ₹5,130.81 million as of March 31, 2020 to ₹6,314.85 million as of March 31, 2021 primarily due to an increase in property, plant and equipment of ₹690.87 million driven by an increase in Brown Label ATMs; an increase in capital work in progress of ₹197.96 million in relation to Brown Label ATMs; an increase in right of use assets by ₹372.20 million as a result of an increase in Brown Label sites; an increase in other financial assets by ₹12.57 million contributed by a net increase in margin money deposits and fixed deposits by ₹49.84 million, which is offset by a reduction in claims receivables of ₹29.53 million and a reduction in rent deposits of ₹7.76 million; as well as an increase in other non-current assets by ₹32.41 million as a result of an increase in capital advances of ₹20.03 million and prepaid expenses of ₹9.49 million. This increase was offset by a decrease in deferred tax assets (net) of ₹25.13 million and a decrease in income tax assets of ₹97.21 million. Our total non-current assets increased by ₹573.81 million from ₹6,314.85 million as of March 31, 2021 to ₹6,888.66 million as of August 31, 2021 primarily due to an increase in property, plant and equipment of ₹324.02 million driven by an increase in Brown Label ATMs; an increase in right of use assets by ₹190.21 million as a result of an increase in Brown Label sites; an increase in deferred tax assets (net) of ₹86.22 million; and an increase in other non-current assets by ₹156.09 million as a result of an increase in advances recoverable in kind or for value to be received of ₹129.89 million in relation to our takeover of an e-surveillance business, an increase in capital advances of ₹5.4 million and an increase in prepaid expenses of ₹20.8 million. The increases in our total non-current assets from March 31, 2021 to August 31, 2021 were offset in part by a decrease in capital work in progress of ₹39.27 million; a decrease in other intangible assets of ₹27.61 million; a decrease in other financial assets of ₹13.85 million; and a decrease of income tax assets (net) of ₹99.34 million.

Current Liabilities

Our total current liabilities increased by ₹1,138.10 million from ₹3,998.85 million as of March 31, 2020 to ₹5,136.95 million as of March 31, 2021 primarily due to an increase in capital creditors by ₹819.49 million; an increase in lease liability by ₹89.47 million on account of addition of new ATM sites; an increase in accrued expenses by ₹48.95 million; an increase in trade creditors by ₹392.04 million; which were offset by a decrease in statutory liabilities by ₹79.91 million; a decrease in unearned revenue by ₹63.06 million; and a decrease in employee payable by ₹44.96 million. Our total current liabilities decreased by ₹1,250.57 million from ₹5,136.95 million as of March 31, 2021 to ₹3,886.38 million as of August 31, 2021 primarily due to a decrease in trade creditors of ₹725.14 million; a decrease in capital creditors by ₹505.55 million; a decrease in unearned revenue by ₹65.32 million; a decrease in employee payable by ₹33.21 million; and a decrease in statutory liabilities by ₹19.64 million; which were offset by an increase accrued expenses by ₹128.03 million and an increase in lease liability by ₹45.91 million on account of addition of new ATM sites.

Earnings per share

Our basic earnings per share increased from ₹9.10 in Fiscal Year 2020 to ₹11.39 in Fiscal Year 2021 primarily due to the increase in profit after tax in Fiscal Year 2021 compared to Fiscal Year 2020. Our earnings per share was ₹5.71 in the five months ended August 31, 2021.

INVESTMENTS

We have current investments of ₹615.29 million as of August 31, 2021 which is invested in mutual funds.

LIQUIDITY AND CAPITAL RESOURCES

As of August 31, 2021, we had cash and cash equivalents of ₹898.16 million. Cash and cash equivalents primarily consist of cash on hand, balances with current accounts, in deposits account with original maturity of less than three months. Further, as of August 31, 2021, we also had current investments of ₹615.29 million in liquid mutual fund units. We expect to meet our working capital needs and liquidity requirements for the next 12 months primarily from the cash flows from our business operations and our working capital facility, as determined by the management.

Summary of Cash flows

Set forth below is a table of selected information from our statements of cash flows for the five months ended August 31, 2021 and for Fiscal Years 2021, 2020 and 2019:

	Five months ended August 31,	**Fiscal Year ended March 31,**		
	2021 (*in ₹ millions*)	**2021 (*in ₹ millions*)**	**2020 (*in ₹ millions*)**	**2019 (*in ₹ millions*)**
Net cash flow generated from operating activities	81.64	1,854.42	2,141.56	1,017.81
Net cash flow (used in)/from investing activities	(270.64)	(1,493.39)	(1,194.42)	61.89
Net cash flow from/(used in) financing activities	(247.98)	(617.19)	(576.17)	(523.95)
Increase/(decrease) in cash and cash equivalents	(436.98)	(256.16)	370.97	555.75
Cash and cash equivalents at the beginning of the period	1,335.14	1,591.30	1,220.33	664.58
Cash and cash equivalents as at the end of the period	898.16	1,335.14	1,591.30	1,220.33

Cash flows from operating activities

For the five months ended August 31, 2021, our cash generated from operating activities was ₹81.64 million, which consisted of our profit before tax of ₹1,134.33 million for the five months ended August 31, 2021, adjusted to exclude non-cash and other items, including depreciation and amortisation expenses of ₹224.44 million in relation to property, plant and equipment and intangible asset; depreciation on right-of-use assets of ₹121.44 million; impairment allowance for bad and doubtful receivables and deposits of ₹287.00 million; and finance costs of ₹50.73 million. Our working capital adjustments to our cash flows from operating activities primarily included a decrease in trade payables and other liabilities of ₹866.10 million primarily in relation to payments made to machine vendors and a decrease in inventories of ₹329.76 million, an increase in trade receivables of ₹836.80 million primarily on account of increases in pending deployments and delays in customer collections, as well as direct taxes paid (net of refunds) of ₹201.34 million.

For Fiscal Year 2021, our cash generated from operating activities was ₹1,854.42 million, which consisted of our profit before tax of ₹2,377.50 million for Fiscal Year 2021, adjusted to exclude non-cash and other items, including depreciation and amortisation expenses of ₹412.97 million in relation to property, plant and equipment and other intangible asset; depreciation of right-of-use assets of ₹221.58 million; impairment allowance for bad and doubtful receivables and deposits of ₹206.00 million; employee stock option compensation cost of ₹19.61 million in relation to our employee ESOP 2016 scheme; and finance costs of ₹82.32 million. Our working capital adjustments to our cash flows from operating activities primarily included an increase in trade payables and other liabilities of ₹282.54 million primarily in relation to our supplier of ATM machines and an increase in inventories of ₹464.29 million, an increase in trade receivables of ₹949.82 million primarily on account of increases in inventory pending deployments and customer collections, as well as direct taxes paid (net of refunds) of ₹569.16 million.

For Fiscal Year 2020, our cash generated from operating activities was ₹2,141.56 million, which consisted of our profit before tax of ₹1,950.61 million for Fiscal Year 2020, adjusted to exclude non-cash and other items, including depreciation and amortisation expenses of ₹357.44 million in relation to property, plant and equipment and other intangible asset; depreciation of right-of-use assets of ₹208.43 million; impairment allowance for bad and doubtful receivables and deposits of ₹133.60 million and finance costs of ₹73.15 million. Our working capital adjustments to our net cash flows from operating activities primarily included an increase in trade payables and other liabilities of ₹1,325.08 million primarily in relation to receivables and trade payables that were higher toward the end of March 2020 due to Covid-19 induced lockdowns and related restrictions which delayed customer collections and vendor payments; an increase in inventories of ₹14.06 million; an increase in trade receivables of ₹1,101.28 million; an increase in other assets and prepayments of ₹775.13 million primarily in relation to an increase in other assets and prepayments primarily due to unbilled revenue of ₹165 million, network currency management ₹187 million and prepaid expenses of ₹126 million, as well as direct taxes paid (net of refunds) of ₹493.28 million.

For Fiscal Year 2019, our cash generated from operating activities was ₹1,017.81 million, which consisted of our profit before tax of ₹1,499.29 million, adjusted to exclude non-cash and other items, including depreciation and amortisation expenses of ₹342.18 million in relation to property, plant and equipment and other intangible asset; depreciation of right-of-use assets of ₹194.96 million; impairment allowance for bad and doubtful receivables and deposits of ₹235.55 million and finance costs of ₹74.49 million. Our working capital adjustments to our net cash flows from operating activities primarily included an increase in trade payables and other liabilities of ₹351.95 million, an increase in inventories of ₹179.91 million, an increase in trade receivables of ₹909.91 million, an increase in other assets and prepayments of ₹7.97 million, as well as direct taxes paid (net of refunds) of ₹600.93 million.

Cash flows from investing activities

For the five months ended August 31, 2021, we had cash used in investing activities of ₹270.64 million, which primarily resulted from capital expenditures on purchase of property, plant and equipment and intangible assets of ₹990.45 million primarily in relation to installations of Brown Label ATMs for SBI and ₹129.89 million on account of advance paid for acquisition of business, which was offset in part by net cash generated of ₹847.50 million in relation to investment in mutual funds and deposits with banks.

For Fiscal Year 2021, we had cash used in investing activities of ₹1,493.39 million, which primarily resulted from the net use of ₹991.62 million in cash in relation to investment in mutual funds and deposits with banks and capital expenditures on purchase of property, plant and equipment and intangible assets of ₹550.86 million.

For Fiscal Year 2020, we had cash used in investing activities of ₹1,194.42 million, which primarily resulted from the net use of ₹362.73 million in cash in relation to investment in mutual funds and deposits with banks and capital expenditures on purchase of property, plant and equipment and intangible assets of ₹835.98 million.

For Fiscal Year 2019, we had cash from investing activities of ₹61.89 million, which primarily resulted from the net realization of ₹762.02 million in cash from mutual funds and deposits with banks, which was offset by consideration of ₹391.04 million paid on the acquisition of a business and capital expenditures on purchase of property, plant and equipment and intangible assets of ₹313.08 million.

Cash flows from financing activities

For the five months ended August 31, 2021, we had cash used in financing activities of ₹247.98 million, which primarily resulted from a dividend payment of ₹91.76 million, a payment of lease interest cost and principal portion of lease liability in the amount of ₹156.22 million.

For Fiscal Year 2021, we had cash used in financing activities of ₹617.19 million, which primarily resulted from a dividend payment of ₹362.60 million, a payment of lease interest cost and principal portion of lease liability in the amount of ₹245.69 million.

For Fiscal Year 2020, we had cash used in financing activities of ₹576.17 million, which primarily resulted from a dividend payment of ₹321.16 million and a payment of lease interest cost and principal portion of lease liability in the amount of ₹249.18 million.

For Fiscal Year 2019, we had cash used in financing activities of ₹523.95 million, which primarily resulted from a dividend payment of ₹285.47 million and a payment of lease interest cost and principal portion of lease liability in the amount of ₹234.10 million.

CONTINGENT LIABILITIES, CAPITAL COMMITMENTS AND CONTRACTUAL OBLIGATIONS

Contractual Obligations

As of August 31, 2021, we had contractual obligations of ₹1,820.03 million comprising lease payments for office premises. Payments due within one year amounted to ₹366.88 million, payments due between one and five years amounted to ₹1,163.95 million, and payments due after more than five years amounted to ₹289.20 million.

Contingent Liabilities

As of August 31, 2021, we had the following contingent liabilities and commitments under Ind AS 37 that have not been provided for in our financial statements:

Particulars	Total
Disputed Customs matters *	92.65
Disputed VAT matters *	247.88
Disputed Excise matters *	69.03
Disputed CST matters *	7.61
Disputed GST matters *	0.82
Disputed Service tax matters *	11.21
Employee litigation matters	12.83
Disputed Income tax matter	119.57
Total	**561.60**

* In relation to the matters of GST, Service tax, Customs duty, VAT, CST, Income tax, Excise matters and Employee litigation matters as listed above, the Group 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 Group's financial position and results of operations. Further, in one of the matters of VAT (regarding the assessment for Fiscal Year 2014), the Joint Commissioner (Appeals)-III through an order dated October 4, 2021 upheld an appeal filed by our Company and set aside the order of the Assistant Commissioner, Special Circle-III, Ernakulam, which, among other things, had imposed an additional liability of ₹133.80 million on the Company.

Capital Commitments

The estimated amount of contracts remaining to be executed on capital account of our Company and which have not been provided for in our Restated Financial Information amounts to ₹477.24 million as of August 31, 2021.

Capital Expenditure

We primarily have capital expenditures in relation to the procurement of vehicles and related vehicle upgrades in compliance with RBI operating standards, plant and machinery which also includes Brown Label ATM sites, asset acquired for business combination, opening of new branch locations, expansion of existing branches and computers and peripherals. Additions during the five months ended August 31, 2021 amounted to ₹514.34 million, primarily in plant and machinery for Brown Label ATM sites, furniture, fixtures and fittings, leasehold improvements and computers and peripherals. Additions during Fiscal Year 2021 amounted to ₹1,157.72 million, primarily in plant and machinery for Brown Label ATM sites, vehicles, furniture, fixtures and fittings, office equipment, and intangible assets. Additions during Fiscal Year 2020 amounted to ₹779.75 million, primarily in vehicles, furniture fixtures and fittings, office equipment, plant and machinery and intangible assets. Additions during Fiscal Year 2019 amounted to ₹698.82 million primarily in vehicles, furniture, fixtures and fittings, office equipment, plant and machinery and intangible assets.

In Fiscal Year 2022, we currently expect to incur planned capital expenditure mostly in relation to contracts that we have recently won, including Brown Label services project for SBI and another public sector bank, as well as remote monitoring projects for SBI and another public sector bank. We also intend to make further investments for the procurement of vehicles and related vehicle upgrades in compliance with RBI operating standards. Our actual capital expenditures may differ due to various factors, including our business plan, our financial performance, market conditions, our outlook for future business conditions, the source and methodology of our financing activities and changing governmental regulations.

Financial Indebtedness

As of November 30, 2021, our total borrowings (which includes only fund-based indebtedness) were nil.

As of November 30, 2021, we had outstanding bank guarantees issued by the banks of ₹2,898.92 million.

Our loan agreements with certain banks and financial institutions for term loans and working capital loans contain restrictive covenants, which include requirements that in the event our lenders declare an event of default, such current and any future defaults could lead to acceleration of our obligations, termination of one or more of our financing agreements. which may adversely affect our business, results of operations and financial condition.

Off-Balance Sheet Arrangements

Except as disclosed in this Prospectus, we do not have any material off-balance sheet arrangements, derivative instruments, swap transactions or relationships with unconsolidated entities or financial partnerships established or contemplated for the purpose of facilitating off-balance sheet transactions. Save as disclosed in the section of this Prospectus entitled "*Our Business – Legal Proceedings*" on page 171, we are currently not involved in any material legal proceedings, nor are we aware of any pending or potential material legal proceedings involving us.

Related Party Transactions

For details in relation to the related party transactions, see "*Related Party Transactions"* on page 264.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

We are exposed to various types of market risks during the normal course of business. Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk and commodity risk. We are exposed to credit risk and inflation risk and in the normal course of our business.

Credit Risk

Credit risk is the risk that a counter-party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables and unbilled revenue. We typically have credit terms ranging from 7 days to 45 days with our customers. As of August 31, 2021 and as of March 31, 2021, 2020 and 2019, our trade receivables were ₹4,054.58 million, ₹4,077.32 million, ₹3,824.82 million and ₹2,921.81 million, respectively and unbilled revenue were ₹2,714.84 million, ₹1,875.21 million, ₹1,425.90 million and ₹1,403.62 million, respectively.

Inflation risk

India has experienced high inflation in the recent past, which has contributed to an increase in interest rates. High fluctuation in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in our employee benefit payments or other expenses as a result of increase in inflation in India, which we are unable to pass on to our customers, whether entirely or in part, may adversely affect our business and financial condition. For further information, see "*Risk Factors – 47. A slowdown in economic growth in India or global economic instability could result in an adverse effect on our business, financial condition and results of operations*" on page 58.

OTHER QUALITATIVE FACTORS

Known trends or uncertainties

Our business has been affected and we expect that it will continue to be affected by the trends identified in this Prospectus and the uncertainties described in "*Risk Factors*" on page 25 and in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 290.

To our knowledge, except as disclosed in this Prospectus, there are no known trends or uncertainties that have had, or are expected to have any material adverse effect on our income or from continuing operations.

Future Relationship between Cost and Revenue

Other than as described in "*Risk Factors*" and this section, there are no known factors that might affect the future relationship between cost and revenue.

Competitive Conditions

The cash management industry in India has a number of industry participants and is undergoing a maturing process, resulting in consolidation among existing industry participants as well as among customers. This trend towards consolidation in the industry is expected to continue for the foreseeable future. For details, please refer to the discussions of our competition in the sections "*Risk Factors – 10. We operate in highly competitive markets and may be unable to respond effectively to developments in those markets*" and "*Our Business- Competition*" on pages 33 and 171, respectively.

Seasonality of Business

Our business is not seasonal in nature.

Dependence on Few Customers

For Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, our top three customers in terms of revenue contributed 31.93%, 42.33%, 42.36% and 44.59%, respectively, our top five customers in terms of revenue contributed 48.25%, 55.79%, 55.73% and 57.01%, respectively, and our top 10 customers in terms of revenue contributed 71.45%, 75.41%, 75.13% and 74.97%, respectively, in each case of our total revenue from our operations. Our largest customer is a public sector bank which contributed 10.07%, 23.45%, 17.90% and 18.78% in Fiscal Years 2019, 2020, 2021 and the five months ended August 31, 2021, respectively. For further information, see "*Risk Factors – 6. We derive a substantial portion of our revenue from a limited number of customers. If one or more of our key customers were to suffer a deterioration in their business, cease doing business with us or substantially reduce its dealings with us, our revenues could decline, which may have an adverse effect on our business, results of operations, cash flows and financial condition*" on page 30.

New Services or Business Segments

Except as disclosed in "*Our Business*" on page 146 we have not announced and do not expect to announce in the near future any new services or business segments.

Unusual or Infrequent Events or Transactions

Except as described in this Prospectus, there have been no other events or transactions to the best of our knowledge which may be described as "unusual" or "infrequent".

SIGNIFICANT DEVELOPMENTS AFTER AUGUST 31, 2021

Except as discussed above and as stated elsewhere in this Prospectus, in the opinion of our Board, no circumstances have arisen since the date of the last financial statements as disclosed in this Prospectus which materially and adversely affect or are likely to affect our trading and profitability, the value of our assets or our ability to pay our liabilities within the next 12 months.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as disclosed below, there are no outstanding (i) criminal proceedings involving our Company, Subsidiaries, Directors, or Promoter; (ii) actions by statutory or regulatory authorities involving our Company, Subsidiaries, Directors, or Promoter; (iii) claims relating to direct and indirect taxes involving our Company, Subsidiaries, Directors, or Promoter; and (iv) any other pending litigation/arbitrations involving our Company, Subsidiaries, Directors or Promoter (other than proceedings covered under (i) to (iii) above) which has been determined to be material pursuant to the Materiality Policy (as disclosed herein below).

In accordance with the Materiality Policy, all pending litigation/arbitration (other than outstanding criminal proceedings, actions by statutory or regulatory authorities and claims relating to direct and indirect taxes mentioned in points (i) to (iii) above):

A. involving our Company and Subsidiaries:

(i) where the aggregate monetary claim made by or against the Company or its Subsidiaries (individually or in aggregate), in any such pending litigation / arbitration proceeding is equal to or in excess of one per cent of profit after tax of our Company, derived from the most recently completed fiscal year as per the Restated Financial Information;

Based on the above, we have disclosed all such outstanding litigation proceedings where the aggregate monetary claim made by or against our Company or its Subsidiaries (individually or in aggregate), in any such pending litigation is equal to or in excess of an amount equivalent to one percent of our profit after tax during Fiscal 2021, as per the Restated Financial Information i.e., ₹16.80 million; or

(ii) where the outcome of such litigation, including any litigation under the Insolvency and Bankruptcy Code, 2016, as amended, irrespective of any amount involved in such litigation or wherein a monetary liability is not quantifiable, could have a material adverse effect on the position, business, operations, prospects, or reputation of the Company.

B. involving our Promoter and Directors, the outcome of which could have a material adverse effect on the business, operations, prospects, position, or reputation of our Company, irrespective of the amount involved in such litigation, have been considered "material" and accordingly have been disclosed in this Prospectus.

Further, there are no disciplinary actions (including penalties) imposed by SEBI or a recognized stock exchange against our Promoter in the last five Fiscals immediately preceding the date of this Prospectus, including any outstanding action.

*For the purposes of the above, pre-litigation notices received by our Company, Subsidiaries, Promoter, Directors (collectively known as "**Relevant Parties**") from third parties (excluding those notices issued by statutory or regulatory or taxation authorities or notices threatening criminal action) have not and shall not, unless otherwise decided by our Board, be considered material until such time that our Company, or such Subsidiaries, Promoter, Director, as the case may be, is impleaded as a defendant in litigation before any judicial or arbitral forum.*

Further, the number of criminal proceedings at FIR stage (i) that have not culminated into criminal proceedings; (ii) where corresponding charge sheets have been filed will be included in a consolidated manner giving details of number of cases and total amount, if any.

Further, in accordance with the Materiality Policy, our Company has considered such creditors 'material' to whom the amount due is in excess of five per cent of the consolidated trade payables of our Company as of the end of the most recent period covered in the Restated Financial Information. The trade payables (less accrued expenses) of our Company as on August 31, 2021, was ₹ 1,202.62 million. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds ₹ 60.13 million as of August 31, 2021.

Unless stated to the contrary, the information provided below is as of the date of this Prospectus. All terms defined in a particular litigation disclosure below are for that particular litigation only.

I. LITIGATION INVOLVING OUR COMPANY

Criminal proceedings against our Company

(i) An agreement was executed between our Company and SyndBank Services Limited ("**SBSL**") for providing cash management services and was last renewed for a period of 24 months *via* letter dated March 17, 2018.Our Company was responsible for collecting cash and cheques from Bangalore Water Supply and Sewerage Board ("**BWSSB**") kiosk on behalf of SBSL and depositing the same in the e-Syndicate bank, BWSSB branch. In June 2018, upon discovery by BWSSB of a shortfall of ₹20.48 million in the remittance from the collection made from the kiosks, two FIRs were filed against our Company, one dated June 21, 2018, by BWSSB numbered 156/2018 and another dated June 27, 2018, by SBSL, numbered 162/2018 with the Halasguru Gate Police Station, Bengaluru in respect of the said amount. The said amount was paid by SBSL to BWSSB through e-Syndicate Bank. Subsequently, SBSL demanded the said amount from our Company claiming that the loss was on account of the negligence of our employees in the course of their employment. After several rounds of unsuccessful arbitral and conciliation proceedings, both parties decided to settle the dispute and recorded the terms in the settlement agreement dated March 30, 2021 wherein our Company agreed to forego a claim of ₹ 1.09 million payable by SBSL for services rendered by us and also agreed to pay a sum of ₹11.00 million in three tranches. A joint affidavit dated July 22, 2021, was also filed before the High Court of Karnataka to record the settlement, thereby requesting the court to quash the FIR and the complaint. The matter is still pending.

(ii) In addition to the above, in its ordinary course of business, our Company is involved in certain matters which involve claims under the Motor Vehicles Act, 1988 including cases pertaining to vehicle accidents. As on the date of this Prospectus, 37 first information reports have been filed against our Company involving an aggregate amount of ₹39.32 million with police stations that are pending at various stages of adjudication.

Criminal proceedings initiated by our Company

(i) In its ordinary course of business, our Company faces instances of fraud, theft, robbery, misappropriation, misconduct, extortion, and armed robbery in relation to which our Company has instituted several criminal proceedings which are pending at different stages before various forums. As on the date of this Prospectus our Company has filed 216 complaints with police stations in relation to matters involving an aggregate of ₹391.60 million approximately, wherein the matters are pending at the FIR stage and have not culminated into criminal proceedings. Further, as on the date of this Prospectus, our Company has instituted 176 proceedings involving an aggregate of ₹724.29 million approximately, wherein the complaints have progressed from the FIR stage and corresponding charge sheets have been filed. Such matters are pending at various stages of adjudication. Further, certain of our employees may be involved in vehicle accidents and complaints have been filed under the Motor Vehicles Act, 1988 in the ordinary course of business.

Civil proceedings against our Company

(i) Bharatiya Kamgar Karmachari Mahasangh ("**Union**") filed a complaint against our Company and others, dated January 11, 2016, bearing reference (ULP) no. 12/2016 ("**Complaint**") before the Industrial Court, Mumbai ("**Court**"). In the Complaint, the Union alleged that their demand for wage payment and other conditions of employment, were not met by our Company, despite the execution of a memorandum of understanding effective from April 1, 2015, which revised the terms of employment. The Union further alleged that the employees of CMS Securitas Limited ("**Securitas**") were victimised and subjected to unfair labour practices. Our Company and Securitas responded to the allegations and the Court *vide* its interim order dated February 10, 2016 ("**Interim Order**"), directed the Union to call off the strike and to restore normalcy in the workplace. Subsequently, Securitas filed a counter complaint dated February 4, 2016, bearing reference (ULP) no. 32/2016 ("**Counter Complaint**") before the Court, alleging that some of its employees had resorted to illegal strikes and slowdown of work, which resulted in financial losses. In response, the Union stated that the agitating workers were not assigned work and were victimised. The Court, vide an interim order dated March 4, 2016, held that there was no victimisation of the employees, and that the shortage of work was a direct result of the agitations of the employees. However, all such circumstances lead our Company to lose all the contracts in its Mumbai undertaking whereby employees could be gainfully employed, and with no chances of revival, the branch was closed for operations *via* a notice dated April 4, 2016, as a consequence of which, 586 workmen were discharged. The Union raised this dispute on the Company *via* reference number 16 of 2016 which was further referred for adjudication in the Industrial Tribunal, Mumbai. However, these conciliation proceedings failed. Further, the Union also filed a complaint before the Court, bearing reference number (ULP) 93/2016, dated May 7, 2016, against Securitas, our Company, and others ("**Defendants**"), challenging the dismissal of 21 employees by Securitas for their indulgence in acts of misconduct. The Defendants *vide* a written statement dated December 15, 2016, responded to the Union's complaint, and denied the allegations. These matters are currently pending.

The Union filed a company application bearing reference no. 369 of 2016, dated April 30, 2016, against our Company, CMS Securitas, Rajiv Kaul (Executive Vice Chairman, Chief Executive Officer and Whole Time Director), our Promoter and others, ("**Application**") before the Bombay High Court ("**High Court**"). Vide the Application, the Union sought enforcement of certain provisions pertaining to the automatic absorption of employees, post the demerger of the ATM and cash management services business of Securitas to our Company, pursuant to a scheme of arrangement approved by the High Court and the Delhi High Court, *vide* their respective orders dated October 25, 2010, and January 17, 2011 ("**Scheme**"). The Union moved the Application before the High Court to seek interim relief, but the High Court *vide* an order dated May 4, 2016, adjudged that the relief sought by the Union was in the nature of final relief and consequently our Company was given an opportunity to file its reply. Subsequently, pursuant to the provisions of the Companies (Transfer of Pending Proceedings) Rules, 2016, the High Court passed an order dated January 4, 2017, transferring the matter to the National Company Law Tribunal. The matter is currently pending.

The Union filed a writ petition bearing number 177 of 2018 before the High Court alleging that our Company provides private security for its cash management service business without having obtained a license under the PSARA. In reply to the petition, our Company had filed an affidavit *inter alia* stating that the PSARA does not include within its scope, the business of cash management / handling services as carried on by it, and the PSARA's applicability is restricted to only private security agencies and not to entities engaged in providing cash management services. The matter is currently pending.

The Union filed a writ petition bearing number 910 of 2018 alleging that CMS Securitas is engaging in the activity of cash logistics without having obtained a license under the PSARA. In reply to the petition, CMS Securitas had filed an affidavit and denied any violation of the PSARA. The matter is currently pending.

For the reason stated above, the Union filed another writ petition bearing number 321 of 2018 against our Company and CMS Securitas opposing the approval granted by SEBI for the draft red herring prospectus filed with SEBI in 2017, for the initial public offering of our Company. The matter is currently pending.

(ii) Marshall Sons & Co. (India) Limited ("**Marshall**") instituted a recovery suit dated December 9, 2016, bearing reference no. 03 of 2017 ("**Suit**"), before the Court of Small Causes Mumbai ("**Court**") against our Company, in respect of a property situated at Marshall Annexe Building, Ballard Estate, Mumbai – 400 038 ("**Suit Premises**") for which our Company had entered into two leave and license agreements with Marshall, dated July 18, 2000, and January 15, 2003, respectively. Vide the Suit, Marshall has sought a payment from our Company of ₹7.36 million along with an interest of 18% per annum, for alleged damages as a result of our Company's additions and alterations to the Suit Premises and our Company's alleged failure to repair the Suit Premises during its occupation, which resulted in extensive damages caused to the Suit Premises. Further, Marshall has not only sought immediate handover of possession of the Suit Premises but also mesne profits to be paid to Marshall, from May 15, 2015, till the date on which it receives the possession of the Suit Premises. Our Company had previously *vide* an e-mail dated June 12, 2015, denied these allegations. Our Company also filed an application to frame additional issues in relation to reimbursement of certain payments made by us in relation to license fee, amenities charges and the wrongful forfeiture of the security deposit amount of ₹ 2.33 million by Marshall. The application was partly accepted *via* order dated January 29, 2019. The matter is currently pending.

(iii) An agreement dated January 29, 2020 ("**KMBL Agreement**") was executed between Kotak Mahindra Bank Limited ("**KMBL**") and our Company, for the provision of our specialized cash management services, including cash pick up, sorting, a dedicated cash van and secure vaulting and cash logistics services for KMBL's doorstep banking facilities. Upon identifying an embezzlement at its Allahabad Civil Lines' Branch, KMBL alleged breach of the KMBL Agreement by alleged wrongful, incorrect, dishonest, criminal, fraudulent, negligent, misfeasance, bad faith, disregard of duties and obligations by our Company and alleged non-compliance with specified procedures under the KMBL Agreement. KMBL alleged that the embezzlement was a direct result of deficiency in the services rendered by our Company and claimed an amount of ₹94.57 million as loss incurred by it towards shortage in the yearly deposits *via* a demand notice dated April 13, 2020. Thereafter, KMBL invoked arbitration under the KMBL Agreement pursuant to which consultation took place between the parties on November 30, 2020, to settle claims amicably, but the same was unsuccessful. Further, certain invoices were raised by our Company on KMBL, of ₹43.00 million along with interest. Further, KMBL invoked arbitration proceedings *via* an email dated March 9, 2021, along with a notice intimating their intention to set off the claim. Thereafter, our Company invoked arbitration proceedings, *via* email dated March 9, 2021, in respect of KMBL's outstanding dues of ₹43.00 million. An arbitral tribunal was constituted *via* a joint letter dated April 20, 2021.The matter is currently pending.

(iv) A conciliation proceeding between the Calcutta Trade Union ("**Union**") and our Company was held before the Labour Minister and Labour Commissioner, Government of West Bengal pursuant to a dispute raised by the Union in relation to transfer of excess manpower undertaken by our Company in the interest of the financial condition and business of our Company. Upon failure of the last conciliation proceeding held between the Union and our Company on January 22, 2021, the Deputy Secretary, Labour Department, Government of West Bengal pursuant to an order dated June 30, 2021, referred the above dispute for adjudication before the Seventh Industrial Tribunal. The matter is currently pending.

(v) In addition to the above, our Company is involved in certain labour related disputes including cases pertaining to payment of wages, non-payment of bonus, encashment of earned leaves, amount towards overtime, illegal termination of service, strikes and labour unrest, pending at various stages of adjudication.

Civil proceedings by our Company

(i) Our Company filed a civil suit and interlocutory application bearing reference numbers C.S No.58 of 2020 and G.A No.847 of 2020 respectively against the Calcutta Trade Unions ("**Unions**") before the High Court of Calcutta ("**High Court**") claiming (a) a decree of ₹150.00 million against the defendants for the loss and damage caused to them; and (b) seeking declaratory reliefs and injunction orders *inter alios* against the Unions and its office bearers who, on behalf of the workmen of the vendors/ sub-contractors, outsourced by our Company for managing the ATMs and for providing cash management services across the state of West Bengal, had raised industrial disputes under the provisions of the Industrial Disputes Act 1947 and also allegedly resorted to wrongful and illegal activities in as much as they started impeding the business of our Company by not allowing access to the ATMs and further preventing ingress and egress of the employees of our Company and the public from accessing the ATMs. By an *ex parte ad interim* order dated June 24, 2020, the High Court had restrained the Unions and its officer bearers from obstructing the free ingress and egress of the members of the public and personnel of our Company and from interfering in any manner with the day-to-day functioning and operations ("**High Court Order**"). Thereafter, by an order dated March 5, 2021, the interlocutory application filed was allowed by the High Court in favour of our Company whereby the High Court Order was confirmed till final disposal of suit or until further orders, whichever is earlier and permitted our Company to take possession of the code, passwords and keys for accessing the ATMs from the office of the Registrar, Original Side, High Court submitted by the Special Officers appointed pursuant to the High Court Order.

Actions by statutory or regulatory authorities against our Company

(i) On July 2, 2014, an inspection was conducted at our Company's Pune branch, pursuant to which our Company was issued a show cause notice dated July 7, 2014 ("**Notice**") by the Assistant Labour Inspector, Pune. In the Notice, it was alleged that our Company had resorted to misrepresentation to obtain a license under CLRA, dated January 29, 2014, pertaining to our branch in Pune ("**License**"). Our Company, vide its letters dated July 14, 2014, and August 6, 2014, responded to the Notice and denied the allegations. However, on the recommendation of the Labour Commissioner, Mumbai, vide a letter dated April 1, 2015, the License was cancelled. Our Company has filed an appeal dated April 30, 2015, before the office of the Deputy Labour Commissioner, Pune ("**Appellate Authority**") challenging the cancellation of the License. Further our Company on October 30, 2015, filed additional grounds of appeal, before the Appellate Authority. Vide an application dated December 15, 2020, our Company prayed to dispose off the appeal. A fresh CLRA license has been issued in respect of the same. The matter is currently pending.

(ii) An application was filed by the Assistant Labour Commissioner (Central) Jhansi ("**Applicant**") against our Company before with the Regional Labour Commissioner (Central), Kanpur ("**Authority**") under the Minimum Wages Act, 1948, claiming non-payment of minimum wages by our Company. Our Company filed preliminary objection against the complaint made by the Applicant, however, the Authority *via* an order dated October 17, 2019, ruled in favour of the Applicant directing our Company to pay ₹4.31 million as arrears and implement central wages. Challenging this order, our Company has filed a writ petition 9668 /2020 before the High Court of Allahabad. The matter is currently pending.

Tax proceedings involving our Company

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings (₹ in million)
Direct Tax	2	118.33
Indirect Tax	22	427.92
Total	**24**	**546.25**

II. LITIGATION INVOLVING OUR SUBSIDIARIES

1. *Outstanding litigation involving our Subsidiaries*

Criminal proceedings against our Subsidiaries

(i) Our Subsidiaries are involved in certain matters under the Motor Vehicles Act, 1988 including cases pertaining to vehicle accidents. As on the date of this Prospectus, 14 first information reports have been filed against our Subsidiaries with police stations aggregating to ₹ 25.56 million that are pending at various stages of adjudication. Further certain of the employees of our Subsidiaries may be involved in vehicle accidents and complaints have been filed under the Motor Vehicles Act, 1988 in the ordinary course of business.

Criminal proceedings by our Subsidiaries

(i) In its ordinary course of business, one of our Subsidiary, SIPL, faces instances of fraud, theft, robbery, misappropriation, misconduct, extortion, and armed robbery, in relation to which SIPL has instituted several criminal proceedings which are pending at different stages before various forums. As on the date of this Prospectus, SIPL has filed 47 complaints with police stations in relation to matters involving an aggregate of ₹118.66 million approximately, wherein the matters are pending at the FIR stage and have not culminated into criminal proceedings. Further, as on the date of this Prospectus, SIPL has instituted 81 proceedings involving an aggregate of ₹381.77 million approximately, wherein the complaints have progressed from the first information report stage and corresponding charge sheets have been filed. Such matters are pending at various stages of adjudication.

Civil proceedings by our Subsidiaries

(i) Securitrans India Private Limited ("**SIPL**") entered into an agreement with FIS Payment Solutions and Services Private Limited ("**FIS**") dated August 16, 2010 ("**Agreement 1**"), effective from September 1, 2010, for an initial period of 12 months subject to renewal on mutually agreed terms. Thereafter the parties entered into a separate agreement dated June 4, 2015 ("**Agreement 2**"), made effective from January 1, 2015, which superseded Agreement 1 and recorded the revised understanding reached between the parties for providing cash replenishment services to FIS. The validity of Agreement 2 was mutually extended to January 31, 2018. As per the payment terms under Agreement 2, payments to SIPL were due from FIS on a monthly basis. However, FIS withheld all payments post July 31, 2015, on account of an alleged instance of misappropriation by two employees of SIPL to the tune of ₹232.61 million. Since the parties failed to resolve the dispute amicably, SIPL served a notice of pending dues to FIS dated January 17, 2017, demanding a total outstanding amount of ₹145.30 million ("**Notice**"). Thereafter, SIPL sent another notice to FIS dated May 31, 2017, invoking the arbitration clause of the Agreement 2 and initiated arbitration proceedings against FIS by filing a statement of claim on January 30, 2019, for an outstanding amount of ₹313.44 million including interest. Vide a letter dated August

17, 2017, FIS has also invoked the arbitration clause of Agreement 1 seeking compensation of ₹232.61 million along with 18% interest from SIPL due to alleged misappropriation by two employees of SIPL. The matter is currently pending.

Civil proceedings against our Subsidiaries

(i) Except as disclosed below and in, – *"Litigation involving our Company – Civil proceedings against our Company"* on page 321 there are no pending material civil proceedings against our Subsidiaries.

(ii) Papita Devi and others ("**Applicants**") filed an application dated October 19, 2016, bearing claim petition number 476/2016 ("**Application**"), before the Motor Accidents Claims Tribunal, Sikar, Rajasthan against SIPL and others. Vide the Application it was alleged that on August 5, 2016, Suresh Kumar, a relative of the Applicants was involved in a motor accident with a vehicle owned and operated by SIPL (which is subject to insurance), which resulted in his demise. In this regard, the Applicants have sought a compensation of ₹19.75 million. The matter is currently pending.

(iii) In addition to the above, our subsidiaries are involved in certain labour related disputes including cases pertaining to payment of wages, non-payment of bonus, encashment of earned leaves, amount towards overtime, termination of employment, strikes and labour unrest, pending at various stages of adjudication.

Actions by statutory or regulatory authorities against our Subsidiary

(i) Our subsidiary, SIPL received a C-18 (Act) notice from the deputy director, Employee State Insurance Corporation, ("**ESIC**") Hyderabad on January 20, 2021, for a period from December 2010 to April 2011 in respect of which ESIC contributions amounting to ₹ 0.28 million were outstanding. The matter is currently pending.

(ii) Our subsidiary, SIPL and Executive Vice Chairman, Whole time Director and CEO, Rajiv Kaul received a show cause notice ("**SCN**") under Section 85(g) of the Employee State Insurance Act, 1948 ("**Act**") and regulations made thereunder, as amended. The SCN was in relation to non-submission of certain records by SIPL to the social security officers appointed under the Act, and non-compliance with Section 45 of the Act and Regulation 66 of the ESI (General) Regulations, 1950. Our Subsidiary has responded to the SCN by a reply dated October 27, 2021. The matter is currently pending.

(iii) Our subsidiary, SIPL received a show cause notice on September 5, 2019, from the profession tax officer, Nagpur, under section 7 of the Maharashtra State Tax on Profession, Trade, Calling and Employments Act, 1975 for not furnishing returns for the period from April 1, 2016, to March 31, 2019, and to also submit certain information documents. SIPL has submitted the requisite documents via a letter dated February 28, 2020. The matter is pending.

(iv) An enquiry was initiated under section 7A of the Employee Provident Fund Act, by the Regional Provident Fund Commissioner, Delhi against our subsidiary, SIPL claiming that SIPL failed to provide the benefits of provident fund to certain eligible employees. The matter is currently pending.

(v) Our Subsidiary, SIPL received a notice dated August 27, 2021, from the Regional Provident Fund Commissioner, Delhi ("**Commissioner**") under para 26 B of the Employee Provident Fund Scheme, 1952 framed under Employee Provident Funds and Miscellaneous Provisions Act, 1952 ("**Scheme**") to submit representation, based on a complaint by two ex-employees of SIPL, alleging non-remittance of provident fund dues deducted from their salary with effect from their date of joining. Our Subsidiary replied to the said notice on September 6, 2021 and provided all the requisite information. A summons notice dated October 22, 2021, has now been issued for appearance to our Company (as the shareholder), and our director Rajiv Kaul (as nominee of the shareholder) in relation to the matter. The matter is currently pending.

(vi) An application numbered MWA/37/2019 E1 was filed by the Assistant Labour Commissioner (Central) Jhansi ("**Applicant**") against SIPL before with the Regional Labour Commissioner (Central), Kanpur ("**Authority**") under the Minimum Wages Act, 1948, claiming non-payment of minimum wages by SIPL. SIPL filed preliminary objection against the complaint made by the Applicant, however, the Authority *via* an order dated October 17, 2019, ruled in favour of the Applicant directing SIPL to pay

pay ₹ 0.59 million as arrears and implement central wages. Challenging this order, SIPL has filed a writ petition 1413/2020 before the High Court of Allahabad. The matter is currently pending.

(vii) Our subsidiary, SIPL received notices dated June 10, 2021 and September 27, 2021, alleging non-compliance with certain provisions of Payment of Gratuity Act, 1972 ("**Act**"), from the regional labour commissioner cum designated authority under the Act. The matter is currently pending.

Tax proceedings against our Subsidiaries

Name of the subsidiary	Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings (₹ in million)
CMS Securitas Limited	Direct Tax	1	1.24
	Indirect Tax	1	1.43
	Total	**2**	**2.67**

III. LITIGATION INVOLVING OUR DIRECTORS

Criminal Litigation involving our Executive Vice Chairman, Whole Time Director and CEO, Rajiv Kaul

(i) A criminal complaint was filed in 2011 against Rajiv Kaul (Executive Vice Chairman, Whole Time Director and CEO) and another employee of our Company before the Chief Metropolitan Magistrate, in relation to alleged violations by our Company of the PSARA and state private security agency rules on various grounds. The Chief Metropolitan Magistrate is yet to take cognizance of the matter. The Company and Rajiv Kaul intend on defending the alleged violations as PSARA was not and is not applicable to the business of our Company. This position has been further validated by the 2018 MHA Guidelines which (i) reiterates the distinction between cash management companies and private security services, and (ii) validated that cash management companies may outsource security needs to private security services. As a result, the Company does not expect any material financial impact arising out of this litigation. The matter is currently pending.

(ii) Further, except as disclosed above and under, – "*Litigation involving our Company – Civil proceedings against our Company - matter bearing reference no. 369 of 2016*" and "*Litigation involving our Subsidiaries – Actions by statutory or regulatory authorities against our Subsidiary*" on pages 322 and 325 there are no pending material civil proceedings against our Director, Rajiv Kaul.

Criminal Litigation involving our Director, Ashish Agrawal

(i) A criminal complaint dated June 14, 2019 ("**Complaint**") was filed by one Mrs. Ketaki Shah Talati with Basvanagudi Police Station, Bengaluru inter alia against Karvy Group companies (including Karvy Stock Broking Limited) and officials of Karvy Group Companies allegedly for breach of fiduciary duty by marketing unsafe and unviable schemes of investments to her and benefitting from the same. While Mr. Ashish Agrawal was only a non-executive director of Karvy Stock Broking Limited from June 29, 2010 till July 14, 2019 in his capacity as the representative of an investor, he has been made party to this Complaint. Pursuant to the Complaint, an FIR, numbered as Crime No. 90 of 2019 ("**FIR**"), was registered for offences under Sections 406 (Punishment for Criminal Breach of Trust) and 420 (Cheating and Dishonestly Inducing Delivery of Property) of the Indian Penal Code, 1860. A petition was filed on behalf of the Karvy Group and Mr. Ashish Agrawal before the Hon'ble High Court of Karnataka (Sri C. Parthasarthy and Ors. vs. State of Karnataka and Anr., Criminal Petition No. 4606 of 2019) ("**Quashing Petition**") under Section 482 of the Code of Criminal Procedure, 1973 for quashing of FIR. The Hon'ble High Court vide its order dated February 06, 2021 dismissed the Quashing Petition. Investigation in the matter is currently ongoing and to the best of Mr. Ashish Agrawal's knowledge, a chargesheet has not yet been filed by the investigating authorities.

IV. LITIGATION INVOLVING OUR PROMOTER

Except as disclosed above in, – *"Litigation involving our Company – Civil proceedings against our Company – matter bearing reference no. 369 of 2016"* on page 322 there are no pending material civil proceedings against our Promoter.

OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

Further, in accordance with the Materiality Policy, our Company has considered such creditors 'material' to whom the amount due is equal to or in excess of five percent of the trade payables (less accrued expenses) of our Company as of the end of the most recent period covered in the Restated Financial Information i.e., ₹60.13 million as of August 31, 2021.

The details of the total outstanding dues (trade payables (less accrued expenses)) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), Material Creditors and other creditors as on are material dues to the creditors as on August 31, 2021, is as follows:

Particulars	No. of creditors	Amount due (₹ in million)
Dues to micro, small and medium enterprises	87	51.83
Dues to Material Creditors	3	825.34
Dues to other creditors#	2,141	325.45
Total	**2,231**	**1,202.62**

#*Includes an amount of ₹16.33 million in relation to employee payables or such creditors which are unidentifiable.*

The details of the total outstanding dues (trade payables (less accrued expenses)) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), for the last 3 Fiscals are as follows:

Fiscal	No. of creditors	Amount due (₹ in million)
2021	85	45.27
2020	88	100.37
2019	7	11.09

The details pertaining to amounts due towards Material Creditors as on August 31, 2021, are available on the website of our Company at www.cms.com/investor-relations.php. It is clarified that, as required under the relevant provisions of the SEBI ICDR Regulations, the information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, www.cms.com/investor-relations.php would be doing so at their own risk.

MATERIAL DEVELOPMENTS

Other than as stated in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 290, there have not arisen, since, the date of the last financial information disclosed in this Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Except as disclosed herein and in "Risk Factors" on page 25, we have obtained all material consents, licenses, permissions, and approvals, from various governmental statutory and regulatory authorities in India, which are necessary for undertaking our current business activities. In relation to certain of our branches, which are material and necessary for undertaking our business, we have also disclosed below (i) approvals applied for but not received; (ii) approvals expired and renewal to be applied for; and (iii) approvals which are required but not obtained or applied for. The disclosure below is indicative and except as disclosed below, no further material approvals are required for carrying on the present business operations of our Company and our Material Subsidiary. Unless otherwise stated, the material approvals in respect of business and operations of our Company and Material Subsidiary are valid as on the date of this Prospectus. For further details in connection with the regulatory and legal framework within which we operate, see "Key Regulations and Policies" on page 172.

For Offer related approvals, see "Other Regulatory and Statutory Disclosures" on page 330 and for incorporation details of our Company, see "History and Certain Corporate Matters" on page 177.

I. Business related approvals

1. Our Company has received an ISO 9001:2015 accreditation for implementation and maintenance of a quality management system by DQS Inc.

2. Our Company conforms to the requirements of ISO 30409:2016 for provision of services for currency, ATMs, and counter management as per the requirements of banking and corporate sector by ROHS Certification Private Limited, valid until April 11, 2024.

3. Our Company hold an ISO/IEC 27001:2013 certification for implementing and maintaining an information security management system by DQS Inc, valid until September 23, 2023.

4. Our Company holds an Importer exporter code 0309024501 issued by the Office of the Additional Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India.

5. Our Company holds a certificate of compliance issued by the Payment Card Industry Security Standards Council, valid till March 16, 2022.

II. Labour/Employment related approvals

1. Shops and establishments registrations under the applicable provisions of the shops and establishments legislation of relevant states for our offices, warehouses, and other premises, wherever applicable, issued by the ministry or department of labour of relevant state government. These licenses are periodically renewed, whenever applicable.

2. Certificates for contract labour under CLRA including the state legislated amendments as applicable for our branches and other premises, wherever applicable, issued by relevant registering officer. These approvals are periodically renewed, whenever applicable.

3. Registration for employees' provident fund issued by the Employees' Provident Fund Organisation under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

4. Registration for employees' insurance issued by the Regional Office, Employees State Insurance Corporation of different states in India under the Employees' State Insurance Act, 1948.

III. Tax related approvals

1. Permanent account number issued by the Income Tax Department under the Income Tax Act, 1961.

2. Tax deduction account number issued by the Income Tax Department under the Income Tax Act, 1961.

3. Goods and services tax registration issued by the GoI under the Goods and Service Tax Act, 2017.

4. Professional Tax registration under applicable state specific laws.

IV. Material branches in relation to which our Company and/ or our Material Subsidiary has applied for registration of material approvals/licences.

There are no material branches in respect of which our Company and/ or our Material Subsidiary has applied for registration of material approvals/licences.

V. Material branches in relation to which our Company and/ or our Material Subsidiary is in the process of applying for registration of material approvals/licences.

There are no material branches in respect of which our Company and/ or our Material Subsidiary is in the process of applying for registration of material approvals/licences.

VI. Material branches in relation to which approvals are required but have not been obtained or applied for by our Company and/ or our Material Subsidiary.

There are no material branches in respect of which our Company and/ or our Material Subsidiary have not obtained or applied for registration of material approvals/licenses.

VII. Intellectual Property related approvals

Our Company has 20 (twenty) registered trademarks under classes, 9, 16, 35, 36, 37, 38, 39, 41 and 42, in its name. Additionally, our Company has made 23 (twenty-three) applications for trademarks (in various classes), which are in various stages of registration process.

Pursuant to a deed of assignment of trademarks and copyrights dated August 15, 2015, executed between our Company, CMS Computers and CMS IT Services, CMS Computers assigned, *inter alia*, the artistic label and trademark "CMS Simplifying Life" under classes 9, 16, 35 and 41, for a consideration of ₹10,000.

Pursuant to a deed of assignment of trademarks and copyrights dated August 19, 2015, and effective from April 1, 2015, CMS IT Services Private Limited has assigned *inter alia* the artistic label "*CMS*" and the "*CMS*" logo (under class 9) to our Company, for a total consideration of ₹10,000.

For further details, see "*Our Business*" and "*Risk Factors – 34. We have applied for registration of six trademarks under various classes, and there can be no assurance that we will be able to successfully register the trademarks, or that it will not be infringed upon*" on pages 146 and 51, respectively.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

This IPO has been authorized by a resolution of our Board dated August 10, 2021.

The Promoter Selling Shareholder has authorized and confirmed inclusion of Offered Shares as part of the Offer for Sale vide the resolution of its board and shareholders each dated August 10, 2021 and consent letters dated August 14, 2021 and December 10, 2021.

Our Board has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholder and approved the Draft Red Herring Prospectus pursuant to its resolution dated August 14, 2021.

Our Company has received in-principle approval from BSE and NSE for the listing of the Equity Shares pursuant to letters dated September 9, 2021 and September 27, 2021, respectively.

Our Board has approved the Red Herring Prospectus and this Prospectus pursuant to its resolutions dated December 14, 2021 and December 24, 2021, respectively.

Prohibition by SEBI, RBI or other Governmental Authorities

Our Company, Promoter, Promoter Group, Directors, the persons in control of our Company and the persons in control of our Promoter are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoter Selling Shareholder, our Promoter and members of Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Prospectus.

Directors associated with the Securities Market

Other than Shyamala Gopinath who is a director on CRISIL Limited and CRISIL Ratings Limited, which are registered as a research analysts and credit rating agency, respectively, none of our Directors are, in any manner, associated with the securities market and there is no outstanding action initiated by SEBI against any of our Directors in the five years preceding the date of this Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 6(1) of the SEBI ICDR Regulations and is in compliance with the conditions specified therein in the following manner: Our Company has had net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each). As the Offer is being made entirely through an offer for sale, the limit of not more than 50% of the net tangible assets being monetary assets, is not applicable;

- Our Company has an average operating profit of at least ₹150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;

- Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated and consolidated basis; and

- Our Company has not changed its name in the last one year other than conversion from a private limited company to a public limited company.

Our Company's operating profit, net worth and net tangible assets derived from the Restated Financial Information included in this Prospectus as at, and for the last three Financial Years are set forth below:

As per Restated Financial Information

(*₹ in million, except % data*)

Particulars	As of and for the Financial Year ended		
	March 31, 2021	March 31, 2020	March 31, 2019
Net tangible assets(1), as restated and consolidated	7,616.93	6,276.45	5,239.64
Net worth(2), as restated and consolidated	9,844.76	8,503.91	7,458.98
Operating profit(3), as restated and consolidated	2,301.51	1,973.20	1,442.18
Monetary assets,(4) as restated and consolidated	2,031.32	1,941.48	1,436.82
Monetary assets, as restated and consolidated as a % of net tangible assets,(5) as restated and consolidated	26.67%	30.93%	27.42%

Notes:

(1) "Net tangible assets", restated and consolidated, mean the sum of all the net assets of our Company excluding intangible assets, each on restated basis and as defined in Ind AS 38.

(2) "Net worth", restated and consolidated, means the aggregate of share capital and other equity (including capital reserve and share options outstanding account) on restated basis.

(3) "Operating profit", restated and consolidated, has been calculated as restated and consolidated net profit before tax excluding other income and finance cost each on a restated and consolidated basis.

(4) Restated and consolidated Monetary assets = Cash on hand + balance with bank in current accounts + deposit due to be matured within twelve months of the reporting date + Deposits with maturity of more than 12 months on restated basis.

(5) 'Monetary assets as restated as a percentage of the net tangible assets' means monetary assets as restated divided by net tangible assets, as restated, expressed as a percentage.

The status of compliance of our Company with the conditions as specified under Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

(i) Our Company, our Promoter, our Promoter Group, our Directors and directors of our Promoter Selling Shareholder are not debarred from accessing the capital markets by SEBI;

(ii) The companies with which our Promoter or our Directors are associated as promoter or director are not debarred from accessing the capital markets by SEBI;

(iii) Neither our Company, nor our Promoter, or Directors have been identified as a wilful defaulter (as defined in the SEBI ICDR Regulations);

(iv) None of our Directors or the directors of our Promoter have been declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;

(v) None of our Company, Promoter or Directors have been declared as a fraudulent borrower by any bank, financial institution or lending consortium, in accordance with the "Master Directions on Frauds - Classification and Reporting by commercial banks and select FIs" dated July 1, 2016, as updated, issued by the RBI.

(vi) Except employee stock options granted pursuant to CEO ESOP 2016, Management ESOP 2016 and Employees ESOP 2016, there are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Prospectus;

(vii) Our Company along with the Registrar to our Company, has entered into tripartite agreements dated January 8, 2015 and July 31, 2017 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;

(viii) The Equity Shares of our Company held by the Promoter are in the dematerialised form;

(ix) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Prospectus;

(x) Since the Offer is through an Offer for Sale, Regulation 7(1)(e) (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance for a specific project proposed to be funded from the Offer proceeds, excluding the amount to be raised through the Offer and existing identifiable internal accruals) shall not apply;

(xi) Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated September 9, 2021 and September 27, 2021, respectively; and

(xii) Our Company has appointed BSE as the Designated Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BRLMS, BEING AXIS CAPITAL LIMITED, DAM CAPITAL ADVISORS LIMITED (*FORMERLY IDFC SECURITIES LIMITED*), JEFFERIES INDIA PRIVATE LIMITED AND JM FINANCIAL LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS BEING, AXIS CAPITAL LIMITED, DAM CAPITAL ADVISORS LIMITED (*FORMERLY IDFC SECURITIES LIMITED*), JEFFERIES INDIA PRIVATE LIMITED AND JM FINANCIAL LIMITED HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED AUGUST 14, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMs ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

The filing of the Draft Red Herring Prospectus also does not absolve the Promoter Selling Shareholder from any liabilities to the extent of the statements specifically made or confirmed by themselves in respect of themselves and of their respective Offered Shares, under Section 34 or Section 36 of Companies Act.

All legal requirements pertaining to this Offer have been complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Offer will be complied with at the time of filing of this Prospectus with the RoC in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, our Directors and BRLMs

Our Company, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.cms.com, or the respective websites of our Promoter, Promoter Group or any affiliate of our Company would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement.

All information shall be made available by our Company, and the BRLMs to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders were required to confirm and were deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, our Promoter, their respective directors and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoter, and their respective directors, officers, agents, group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer from our Promoter Selling Shareholder

The Promoter Selling Shareholder, its respective directors, affiliates, associates, and officers accept no responsibility for any statements made in this Prospectus other than those specifically made or confirmed by the Promoter Selling Shareholder in relation to itself as a Promoter Selling Shareholder and the Offered Shares and anyone placing reliance on any other source of information, including our Company's website www.cms.com, or the respective websites of Promoter Group or any affiliate of our Company would be doing so at his or her own risk.

Bidders were required to confirm and were deemed to have represented to the Promoter Selling Shareholder and its directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. The Promoter Selling Shareholder and its directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, the Promoter Selling Shareholder and its group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with the Promoter Selling Shareholder and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Offer was made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds registered with the SEBI, VCFs, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) public financial institutions, scheduled commercial banks permitted pension funds, and national investment fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, NBFC-SIs registered with the RBI and permitted Non-Residents including FPIs and Eligible NRIs and AIFs that are eligible under all applicable laws and regulations to purchase the Equity Shares. This Prospectus does not constitute an offer to sell or purchase or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra, India only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Prospectus will be registered with the RoC. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction.

Neither the delivery of this Prospectus nor the Offer of the Offered Shares shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or of the Promoter Selling Shareholder since the date of the Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to that date.

Invitations to subscribe to or purchase the Equity Shares in the Offer were made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprised the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold (i) within the United States only to U.S. QIBs in reliance on Rule 144A or another available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S, and in each case in compliance with the applicable laws of the jurisdiction where those offers and sales are made. Prospective purchasers are hereby notified that sellers of the Equity Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A thereunder.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of BSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company is as follows:

"*BSE Limited ("the Exchange") has given vide its letter dated September 09, 2021 permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:-*

***a)** warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or*

***b)** warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or*

***c)** take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;*

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection *with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever*."

Disclaimer Clause of the NSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to the NSE. The disclaimer clause as intimated by NSE to our Company is as follows:

"*As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/1230 dated September 27, 2021 permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.*

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Listing

The Equity Shares are proposed to be listed on the Stock Exchanges. Application have been made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. BSE is the Designated Stock Exchange with which the Basis of Allotment will be finalised.

Our Company has received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated September 9, 2021 and September 27, 2021, respectively.

Consents

Consents in writing of: (a) The Promoter Selling Shareholder, our Directors, our Company Secretary and Compliance Officer, lenders to our Company, legal counsels appointed for the Offer, the BRLMs, the Registrar to the Offer, in their respective capacities, have been obtained; (b) experts to the Offer have been obtained; (c) Frost and Sullivan and RedSeer; and (d) the Syndicate Members, the Banker(s) to the Offer/ Escrow Collection Bank(s)/ Refund Bank(s), Sponsor Bank and Banker(s) to the Company, to act in their respective capacities, have been obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents have not been withdrawn up to the time of delivery of this Prospectus.

Expert to the Offer

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated December 8, 2021 from our Statutory Auditors, B S R & Co. LLP to include their name as an "expert" as defined under Section 2(38) of the Companies Act, read with Section 26(5) of the Companies Act, read with SEBI ICDR Regulations in relation to the Restated Financial Information, the examination report dated October 28, 2021 on the Restated Financial Information, and the statement of special tax benefits dated December 8, 2021 included in this Prospectus, and such consent has not been withdrawn as on the date of this Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Particulars regarding capital issues by our Company and/or listed Group Companies, Subsidiaries or associates during the last three years.

Our Company has not made any capital issues during the three years preceding the date of this Prospectus. Further, our Subsidiaries have not made any public or rights issue in last three years. Additionally, our Company does not have any associates or Group Companies.

Commission and Brokerage paid on previous issues of the Equity Shares in the last five years.

Since this is the initial public issue of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's incorporation.

Performance vis-à-vis objects – Public/ rights issue of our Company

Our Company has not undertaken any public or rights issue (as defined under the SEBI ICDR Regulations) in the five years immediately preceding the date of this Prospectus.

Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed Promoter of our Company.

Our Company does not have any listed subsidiaries or Promoter.

Price information of past issues handled by the BRLMs

A. Axis Capital Limited

(a) *Price information of past issues handled by Axis Capital Limited*

S. No.	Issue name	Issue size (in ₹ million)	Offer Price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th calendar days from listing
1.	Medplus Health Services Limited*	13,982.95	796.00	December 23, 2021	1,040.00	-	-	-
2.	Metro Brands Limited	13,675.05	500.00	December 22, 2021	437.00	-	-	-
3.	C.E. Info Systems Limited	10,396.06	1,033.00	December 21, 2021	1,565.00	-	-	-
4.	Shriram Properties Limited$	6,000.00	118.00	December 20, 2021	90.00	-	-	-
5.	Tega Industries Limited	6,192.27	453.00	December 13, 2021	760.00	-	-	-
6.	Star Health and Allied Insurance Company Limited^	60,186.84	900.00	December 10, 2021	845.00	-	-	-
7.	Latent View Analytics Limited@	6,000.00	197.00	November 23, 2021	512.20	+153.58%, [-4.18%]	-	-
8.	One 97 Communications Limited	183,000.00	2,150.00	November 18, 2021	1,950.00	-38.56%, [-4.39%]	-	-
9.	S.J.S. Enterprises Limited	8,000.00	542.00	November 15, 2021	542.00	-24.99%, [-4.33%]	-	-
10.	Fino Payments Bank Limited	12,002.93	577.00	November 12, 2021	544.35	-30.56%, [-3.27%]	-	-

Source: www.nseindia.com
* *Offer price was ₹ 718.00 per equity share to eligible employees*
$ *Offer price was ₹ 107.00 per equity share to eligible employees*
^ *Offer price was ₹ 820.00 per equity share to eligible employees*
@ *Offer price was ₹ 178.00 per equity share to eligible employees*

Notes:
a. *Issue Size derived from prospectus/final post issue reports, as available.*
b. *The CNX NIFTY is considered as the Benchmark Index.*
c. *Price on NSE is considered for all of the above calculations.*
d. *In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.*
e. *Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*

(b) *Summary statement of price information of past issues handled by Axis Capital Limited*

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-2022*	22	560,022.82	-	2	4	3	4	3	-	-	-	3	1	1
2020-2021	11	93,028.90	-	-	6	2	1	2	-	1	1	4	3	2
2019-2020	5	161,776.03	-	1	2	-	-	2	1	1	-	-	-	3

** The information is as on the date of the document*
The information for each of the financial years is based on issues listed during such financial year.
Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

B. DAM Capital Advisors Limited *(Formerly IDFC Securities Limited)*

(a) *Price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by DAM Capital Advisors Limited (Formerly IDFC Securities Limited)*

S. No.	Issue name	Issue size (in ₹ million)	Offer Price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th calendar days from listing
1.	Mazagon Dock Shipbuilders Limited	4,436.86	145.00	October 12, 2020	214.90	+18.90%, [+5.87%]	+52.90%, [+20.25%]	+45.79%, [+24.34%]
2.	Indian Railway Finance Corporation Limited	46,333.79	26.00	January 29, 2021	24.90	-5.19%, [+6.56%]	-18.65%, [+9.02%]	-11.15%, [+15.49%]
3.	Laxmi Organic Industries Limited	6,000.00	130.00	March 25, 2021	155.50	+37.85%, [+0.11%]	+71.96%, [+10.11%]	+294.50%, [+21.45%]
4.	Glenmark Life Sciences Limited	15,136.00	720.00	August 6, 2021	750.00	-6.40%, [+6.68%]	-12.85%, [+9.80%]	Not applicable
5.	Windlas Biotech Limited	4,015.35	460.00	August 16, 2021	437.00	-18.04%, [+4.93%]	-34.46% [+9.30%]	Not applicable
6.	Krsnaa Diagnostics Limited	12,133.35	954.00*	August 16, 2021	1,005.55	-9.42%, [+4.93%]	-27.73% [+9.30%]	Not applicable
7.	Go Fashion (India) Limited	10,136.09	690.00	November 30, 2021	1,310.00	Not applicable	Not applicable	Not applicable
8.	Star Health and Allied Insurance Company Limited	60,186.84	900.00@	December 10, 2021	845.00	Not applicable	Not applicable	Not applicable
9.	C.E. Info Systems Limited	10,396.06	1033.00	December 21, 2021	1,565.00	Not applicable	Not applicable	Not applicable
10.	Metro Brands Limited	13,675.05	500.00	December 22, 2021	437.00	Not applicable	Not applicable	Not applicable

Source: www.nseindia.com
**A discount of INR 93 per equity share to eligible employees bidding in the employee reservation portion.*
@ A difscount of INR 80 per equity share to eligible employees bidding in the employee reservation portion.

Notes:
(a) Issue size derived from prospectus/ basis of allotment advertisement, as applicable.
(b) Price on NSE is considered for all of the above calculations
(c) % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.
(d) Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
(e) The Nifty 50 index is considered as the benchmark index
(f) Not applicable – Period not completed

(b) *Summary statement of price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by DAM Capital Advisors Limited (Formerly IDFC Securities Limited)*

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-22	7	125,678.74	-	-	3	-	-	-	-	-	-	-	-	-
2020-21	3	56,770.65	-	-	1	-	1	1	-	-	1	1	1	-
2019-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Source: www.nseindia.com

Notes:
a. The information is as on the date of this Prospectus.
b. The information for each of the financial years is based on issues listed during such financial year.
c. Since 30/ 180 calendar days from listing date has not elapsed for a few issues, hence data for the same is not available.

C. Jefferies India Private Limited

(a) *Price information of past issues handled by Jefferies India Private Limited*

Sr. No.	Issue name	Issue size (₹ million)	Offer Price (₹)	Listing date	Opening price on listing date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Star Health and Allied Insurance Company Limited	64,004.39	900.00@	December 10, 2021	845.00	Not applicable	Not applicable	Not applicable
2.	PB Fintech Limited	57,097.15	980.00	November 15, 2021	1,150.00	Not available	Not available	Not available

3.	Nazara Technologies Limited	5,826.91	1,101.00*	March 30, 2021	1,990.00	62.57% [0.13%]	38.22% [6.84%]	94.60% [20.26%]
4.	IndiaMART InterMESH Limited	4,755.89	973.00#	July 4, 2019	1,180.00	26.36%, [-7.95%]	83.82%, [-4.91%]	111.64%, [2.59%]

** - A Discount of ₹ 110 per equity was offered to eligible employees bidding in the employee reservation portion*

 # - Discount of ₹ 97 per equity share was offered to eligible employees bidding in the employee reservation portion

@- A discount of INR 80 per equity share to eligible employees bidding in the employee reservation portion

Notes:

1. *All data sourced from www.nseindia.com*
2. *Benchmark index considered is NIFTY*
3. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the next trading day*

(b) *Summary statement of price information of past issues handled by Jefferies India Private Limited*

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-22	2	121,101.54	-	-	-	-	-	-	-	-	-	-	-	-
2020-21	1	5,829.13	-	-	-	1	-	-	-	-	-	1	-	-
2019-20	1	4,755.89	-	-	-	-	1	-	-	-	-	1	-	-

D. JM Financial Limited

(a) *Price information of past issues handled by JM Financial Limited*

S. No.	Issue name	Issue size (in ₹ million)	Offer Price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th calendar days from listing
1.	Data Patterns (India) Limited	5,882.24	585.00	December 24, 2021	856.05	Not Applicable	Not Applicable	Not Applicable
2.	C.E. Info Systems Limited	10,396.06	1,033.00	December 21, 2021	1,565.00	Not Applicable	Not Applicable	Not Applicable
3.	Tega Industries Limited	6,192.27	453.00	December 13, 2021	760.00	Not Applicable	Not Applicable	Not Applicable
4.	Go Fashion (India) Limited	10,136.09	690.00	November 30, 2021	1,310.00	Not Applicable	Not Applicable	Not Applicable
5.	Sapphire Foods India Limited	20,732.53	1,180.00	November 18, 2021	1,350.00	3.69% [-4.39%]	Not Applicable	Not Applicable

S. No.	Issue name	Issue size (in ₹ million)	Offer Price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th calendar days from listing
6.	FSN – E-Commerce Ventures Limited[7]	53,497.24	1,125.00	November 10, 2021	2,018.00	92.31% [-2.78%]	Not Applicable	Not Applicable
7.	Aditya Birla Sun Life AMC Limited	27,682.56	712.00	October 11, 2021	715.00	-11.36% [0.55%]	Not Applicable	Not Applicable
8.	Krsnaa Diagnostics Limited[8]	12,133.35	954.00	August 16, 2021	1,005.55	-9.42% [4.93%]	-27.73% [9.30%]	Not Applicable
9.	Rolex Rings Limited	7,310.00	900.00	August 09, 2021	1,250.00	22.28% [6.79%]	31.50% [10.20%]	Not Applicable
10.	Tatva Chintan Pharma Chem Limited	5,000.00	1,083.00	July 29, 2021	2,111.85	92.54% [5.87%]	136.37% [15.78%]	Not Applicable

Source: www.nseindia.com for price information and prospectus/basis of allotment for issue details

Notes:

1. *Opening price information as disclosed on the website of NSE.*
2. *Change in closing price over the issue/offer price as disclosed on NSE.*
3. *Change in closing price over the closing price as on the listing date for benchmark index viz. NIFTY 50.*
4. *In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.*
5. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken a listing date plus 179 calendar days.*
6. *Restricted to last 10 issues.*
7. *A discount of ₹ 100 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
8. *A discount of ₹ 93 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
9. *Not Applicable – Period not completed*

(b) *Summary statement of price information of past issues handled by JM Financial Limited*

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-2022	15	2,72,014.06	-	-	2	3	3	3	-	-	-	2	-	1
2020-2021	8	62,102.09	-	-	3	2	1	2	-	-	-	5	2	1
2019-2020	4	36,400.83**	-	-	1	-	1	2	-	1	1	-	1	1

***Spandana Sphoorty Financial Limited raised ₹ 11,898.49 million as against the issue size of ₹12,009.36 million*

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the BRLMs, as set forth in the table below:

Sr. No.	Name of BRLM	Website
1.	Axis Capital Limited	www.axiscapital.co.in
2.	DAM Capital Advisors Limited (*Formerly IDFC Securities Limited*)	www.damcapital.in
3.	Jefferies India Private Limited	www.jefferies.com
4.	JM Financial Limited	www.jmfl.com

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Managers shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than RIBs bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of RIBs applying through the UPI Mechanism.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of the Designated Intermediaries including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and comply with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Prospectus.

Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

Disposal of Investor Grievances by our Company

Our Company has not received any investor grievances in the last three Financial Years prior to the filing of this Prospectus.

Our Company and Subsidiaries have not received any investor grievances which were not resolved. As at the date of this Prospectus there are no outstanding investor grievances. Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 15 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Praveen Soni, as the Company Secretary and Compliance Officer for the Offer and he may be contacted in case of any pre-Offer or post-Offer related problems. For details, see "*General Information*" on page 74. The Promoter Selling Shareholder has authorised the Company Secretary and Compliance Officer of our Company, and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Our Company has also constituted a Stakeholders' Relationship Committee comprising of Krzysztof Wieslaw Jamroz (*Chairperson*), Rajiv Kaul, Tapan Ray and Jimmy Lachmandas Mahtani as members, to review and redress shareholder and investor grievances. For details, see "*Our Management – Stakeholders' Relationship Committee*" on page 202.

Disposal of Investor Grievances by our listed subsidiaries.

Our Company does not have any listed Subsidiary.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares offered and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, SEBI Listing Regulations, the terms of the Red Herring Prospectus, this Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital, Offer for Sale and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and/or regulatory authority while granting its approval for the Offer.

The Offer

The Offer comprised of an Offer for Sale by the Promoter Selling Shareholder.

Except for listing fees which shall be solely borne by the Company, all Offer related expenses will be borne by the Promoter Selling Shareholder, in accordance with the Offer Agreement and applicable law.

Ranking of the Equity Shares

The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares Allotted in the Offer shall rank *pari passu* with the existing Equity Shares in all respects including dividends and other corporate benefits. For further details, see "*Description of Equity Shares and Terms of Articles of Association*" on page 369.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders as per the provisions of the Companies Act, our MoA, AoA, the SEBI Listing Regulations and other applicable laws including guidelines or directives that may be issued by the GoI in this respect. All dividends, declared by our Company after the date of Allotment (pursuant to the Allotment of Equity Shares), will be payable to the Allottees, for the entire year, in accordance with applicable law. For further details in relation to dividends, see "*Dividend Policy*" and "*Description of Equity Shares and Terms of the Articles of Association*" on pages 212 and 369, respectively.

Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹10. The Floor Price is ₹205 per Equity Share and Cap Price is ₹216 per Equity Share. The Anchor Investor Offer Price is ₹216 per Equity Share and the Offer Price is ₹216 per Equity Share.

The Price Band, the minimum Bid Lot size were decided by our Company and the Promoter Selling Shareholder in consultation with the BRLMs, and were advertised, at least two Working Days prior to the Bid/ Offer Opening Date, in all editions of The Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and Mumbai editions of Navshakti, a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, and made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, were pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges.

At any given point of time, there shall be only one denomination for the Equity Shares.

Compliance with Disclosure and Accounting Norms

Our Company shall comply with all disclosure and accounting norms as specified by the SEBI from time to time.

Rights of the Shareholders

Subject to applicable laws, rules, regulations and guidelines and the AoA, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and the AoA of our Company and other applicable laws.

For a detailed description of the main provisions of the AoA of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Description of Equity Shares and Terms of Articles of Association*" on page 369.

Allotment of Equity Shares in dematerialised form, Market Lot and Trading Lot

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations and the SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been entered into amongst our Company, the respective Depositories and Registrar to the Offer:

- Tripartite agreement dated January 8, 2015 amongst our Company, NSDL and Registrar to the Offer.
- Tripartite agreement dated July 31, 2017 amongst our Company, CDSL and Registrar to the Offer.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be in multiples of 69 Equity Share subject to a minimum Allotment of 69 Equity Shares. For the method of Basis of Allotment, see "*Offer Procedure*" on page 351.

Joint Holders

Subject to the provisions of the AoA where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, read with the Companies (Share Capital and Debentures) Rules, 2014, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of the other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination/ cancel nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by the Board, elect either:

(a) to register himself or herself as the holder of the Equity Shares; or

(b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Bid/ Offer Programme

BID/ OFFER OPENED ON	Tuesday, December 21, 2021(1)
BID/ OFFER CLOSED ON	Thursday, December 23, 2021

(1) Our Company and the Promoter Selling Shareholder in consultation with the BRLMs, considered participation by Anchor Investors on a discretionary basis. The Anchor Investor Bid/ Offer Period was one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations i.e., Monday, December 20, 2021.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/ Offer Closing Date	Thursday, December 23, 2021
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Tuesday, December 28, 2021
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about Wednesday, December 29, 2021
Credit of Equity Shares to demat accounts of Allottees	On or about Thursday, December 30, 2021
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Friday, December 31, 2021

** In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The post Offer BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable*

The above timetable is indicative and does not constitute any obligation or liability on our Company, our Promoter Selling Shareholder, or the BRLMs.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/ Offer Closing Date, or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as delay in receiving the final listing and trading approval from the Stock Exchanges, and delay in respect of final certificates from SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Promoter Selling Shareholder confirms that it shall extend such reasonable support and co-operation required by our Company and the BRLMs for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges

within six Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by SEBI.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Prospectus may result in changes to the above mentioned timelines. Further, the Offer procedure is subject to change to any revised SEBI circulars to this effect.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will submit reports of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (other than Bids from Anchor Investors):

Bid/ Offer Period (except the Bid/ Offer Closing Date)	
Submission and revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/ Offer Closing Date	
Submission and revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/ Offer Closing Date*, the Bids were uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid/ Offer Closing Date, extension of time was granted by the Stock Exchanges only for uploading Bids received by Retail Individual Bidders, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.
**UPI mandate end time and date was at 12.00 pm on Friday, December 24, 2021.*

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs will be rejected.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders were advised to submit their Bids one day prior to the Bid/ Offer Closing Date, and in any case no later than 3:00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in the Red Herring Prospectus and this Prospectus is IST. Bidders were cautioned that, in the event a large number of Bids were received on the Bid/ Offer Closing Date, some Bids may not being uploaded due to lack of sufficient time. Such Bids that cannot be uploaded were not considered for allocation under this Offer. Bids were accepted only during Working Days, during the Bid/ Offer Period. Bids were accepted only during Monday to Friday (excluding any public holiday), during the Bid/Offer Period. Bids and revisions were accepted on Saturdays and public holidays. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount was not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

The Registrar to the Offer had to submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs would unblock such applications by the closing hours of the Working Day.

In case of discrepancy in data entered in the electronic book vis-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

The requirement of minimum subscription was not applicable to the Offer in accordance with the SEBI ICDR Regulations. However, if our Company does not make the minimum Allotment as specified under terms of the Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, if any, within sixty (60) days from the date of Bid/ Offer Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company, shall pay interest prescribed under the applicable law.

Further, our Company and shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of the SEBI ICDR Regulations failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every Director of our Company, who are officers in default, shall pay interest at the rate of 15% per annum in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Offer capital of our Company, lock-in of the Promoter's minimum contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" on page 83 and except as provided under the AoA, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the AoA. For details, see "*Description of Equity Shares and terms of Articles of Association*" on page 369.

Withdrawal of the Offer

Our Company and the Promoter Selling Shareholder in consultation with the BRLMs, reserve the right not to proceed with the Offer, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges simultaneously. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Escrow Collection Banks to process refunds to the Anchor Investors within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

If our Company and the Promoter Selling Shareholder in consultation with the BRLMs, withdraw the Offer after the Bid/ Offer Closing Date and thereafter determine that they will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and the final RoC approval of this Prospectus after it is filed with the RoC.

OFFER STRUCTURE

Offer for Sale of 50,925,925 Equity Shares (subject to finalisation of Basis of Allotment) for cash at a price of ₹216 per Equity Share by our Promoter, Sion Investment Holdings Pte. Limited aggregating to ₹11,000 million. The Offer shall constitute 34.41% of the post-Offer paid-up Equity Share capital of our Company.

The face value of the Equity Shares is ₹10 each.

The Offer was made through the Book Building Process.

Particulars	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/allocation (2)	Not more than 25,462,962* Equity Shares	Not less than 7,638,889* Equity Shares available for allocation or Offer less allocation to QIB Bidders and RIBs	Not less than 17,824,074* Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment/allocation	Not more than 50% of the Offer was available for allocation to QIBs. However, 5% of the QIB Portion (excluding the Anchor Investor Portion) was available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion were also eligible for allocation in the remaining balance QIB Portion (excluding the Anchor Investor Portion).	Not less than 15% of the Offer or the Offer less allocation to QIB Bidders and RIBs was available for allocation	Not less than 35% of the Offer or the Offer less allocation to QIB Bidders and Non-Institutional Bidders was available for allocation
Basis of Allotment/allocation if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): 1. At least 509,260* Equity Shares was available for allocation on a proportionate basis to Mutual Funds only; and 2. 9,675,925* Equity Shares was available for allocation on a proportionate basis to all other QIBs, including Mutual Funds receiving allocation as per (a) above 15,277,777* Equity Shares allocated on a discretionary basis to Anchor Investors	Proportionate	Proportionate, subject to minimum Bid Lot. For details, see "*Offer Procedure*" on page 351
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of 69 Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of 69 Equity Shares thereafter	69 Equity Shares and in multiples of 69 Equity Shares thereafter
Maximum Bid	Such number of Equity Shares and in multiple of 69 Equity Shares not exceeding the size of the Offer, subject to applicable limits	Such number of Equity Shares and in multiples of 69 Equity Shares not exceeding the size of the Offer (excluding QIB portion), subject to applicable limits	Such number of Equity Shares and in multiples of 69 Equity Shares so that the Bid Amount does not exceed ₹200,000
Mode of Bidding	Only through the ASBA process (except for Anchor Investors).	Only through the ASBA process	Only through the ASBA process / UPI mechanism
Bid Lot	69 Equity Shares and in multiples of 69 Equity Shares thereafter		
Mode of Allotment	Compulsorily in dematerialised form		
Allotment Lot	A minimum of 69 Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		
Who can apply(4)	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial banks, Mutual Funds, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with SEBI, multilateral and	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the *karta*), companies, corporate bodies, scientific institutions societies and	Resident Indian individuals, Eligible NRIs and HUFs (in the name of *karta*)

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders
	bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million, National Investment Fund set up by the Government of India through resolution F. No.2/3/2005-DD-II dated November 23, 2005, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and NBFC-SIs.	trusts, and FPIs who are individuals, corporate bodies and family offices and registered with SEBI	
Terms of Payment	**In case of Anchor Investors:** Full Bid Amount was payable by the Anchor Investors at the time of submission of their Bids[(3)] **In case of all other Bidders:** Full Bid Amount was blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism (for Retail Individual Bidders) that was specified in the ASBA Form at the time of submission of the ASBA Form		

* *Subject to finalisation of Basis of Allotment.*

(1) *Our Company and the Promoter Selling Shareholder in consultation with the BRLMs allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being made to other Anchor Investors. For details, see "Offer Procedure" on page 351.*

(2) *Subject to valid Bids being received at or above the Offer Price. This Offer was made in accordance with the Rule 19(2)(b) of the SCRR and is being made through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations.*

(3) *Full Bid Amount was payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms, provided that any difference between the price at which Equity Shares were allocated to the Anchor Investors and the Anchor Investor Offer Price, shall be payable by the Anchor Investor Pay-In Date as mentioned in the CAN. For details of terms of payment of applicable to Anchor Investors, see General Information Document available on the website of the Stock Exchanges and the BRLMs.*

(4) *In case of joint Bids, the Bid cum Application Form should have contained only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder was required in the Bid cum Application Form and such First Bidder was deemed to have signed on behalf of the joint holders. Bidders were required to confirm and were deemed to have represented to our Company, the Promoter Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they were eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

Bids by FPIs with certain structures as described under "*Offer Procedure - Bids by FPIs*" on page 356 and having same PAN were collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) were proportionately distributed.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Promoter Selling Shareholder in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. For further details, see "*Terms of the Offer*" on page 344.

OFFER PROCEDURE

*All Bidders were required to read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which was part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, especially in relation to the process for Bids by RIBs through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, all Bidders were required to refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v)Issuance of CAN and Allotment in the Offer; (vi) General instructions (limited to instructions for completing the Bid cum Application Form,); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date, (xii) interest in case of delay in Allotment or refund; and (xiii) disposal of Application.

*SEBI vide the UPI Circulars, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), issued by SEBI, the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by RIBs ("**UPI Phase III**") and modalities of the implementation of UPI Phase III maybe notified and made effective subsequently, as may be prescribed by SEBI. The Offer was undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of this Prospectus*

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days.

The BRLMs shall be the nodal entity for any issues arising out of public issuance process.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI circular. no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part *of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.*

Our Company, the Promoter Selling Shareholder and the members of the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

Book Building Procedure

The Offer was made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer was allocated on a proportionate basis to QIBs. Our Company and the Promoter Selling Shareholder in consultation with the BRLMs, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the Net QIB Portion was available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the Net QIB Portion was available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer was available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer was available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which did not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the IPO.

Investors had to ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021.

Phased implementation of UPI Mechanism

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019. Under this phase, submission of the ASBA Form without UPI by RIBs to Designated Intermediaries (other than SCSBs) for blocking of funds will be discontinued. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, pursuant to SEBI circular dated March 30, 2020, this phase has been extended till further notice.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days.

All SCSBs offering facility of making application in public issues also provided facility to make application using UPI. Our Company was required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Bidders using the UPI.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law.

The processing fees for applications made by RIBs using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus were made available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form was also available for download on the websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form was available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) mandatorily participated in the Offer only through the ASBA process. RIBs were mandatorily required to use the UPI Mechanism for submitting their bids to Designated Intermediaries and were allowed to use ASBA Process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors were not permitted to participate in the Offer through the ASBA process.

RIBs bidding using the UPI Mechanism had to provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that did not contain the UPI ID was liable to be rejected.

ASBA Bidders (including Bidders using UPI Mechanism) were to provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that did not contain such details were liable to be rejected or the UPI ID, as applicable, in the relevant space provided in the ASBA Form. Applications made using third party bank account or using third party linked bank account UPI ID were liable for rejection. RIBs using the UPI Mechanism could also apply through the mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Bidders had to ensure that the Bids were made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp were liable to be rejected. RIBs using UPI Mechanism, could submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account could submit their ASBA Forms with the SCSBs. ASBA Bidders had to ensure that the ASBA Account had sufficient credit balance such that an amount equivalent to the full Bid Amount could be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Bid.

Anchor Investors were not permitted to participate in the Offer through the ASBA process. For Anchor Investors, the Anchor Investor Application Form were available with the Book Running Lead Managers.

The prescribed colour of the Bid cum Application Form for the various categories was as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis	Blue
Anchor Investors	White

* *Excluding electronic Bid cum Application Forms*

Notes:
(1) Electronic Bid cum Application forms and the Abridged Prospectus were also available for download on the websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors were available at the offices of the BRLMs.

In case of ASBA Forms, the relevant Designated Intermediaries uploaded the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. For RIBs using UPI Mechanism, the Stock Exchanges would share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. For ASBA Forms (other than RIBs) Designated Intermediaries (other than SCSBs) would submit/ deliver the ASBA Forms to the respective SCSB where the Bidder had an ASBA bank account and would not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges validated the electronic bids with the records of the CDP for DP ID / Client ID and PAN, on a real time basis and brought inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges allowed modification of either DP ID / Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For RIBs using UPI Mechanism, the Stock Exchanges shared the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank initiated request for blocking of funds through NPCI to RIBs, who accepted the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank initiated requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, RIBs Bidding through the UPI Mechanism should have accepted UPI Mandate Requests for blocking of funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time lapsed. For ensuring timely information to investors, SCSBs had to send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

Participation by Promoter and Promoter Group of the Company, the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members were not allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members could Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription would be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the BRLMs or any associates of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLMs) nor; (ii) any "person related to the Promoter/ Promoter Group" could apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights would be deemed to be a "person related to the Promoter or Promoter Group": (a) rights under a shareholders' agreement or voting agreement in relation to the Company entered into with the Promoter or Promoter Group; (b) veto rights in relation to the Company; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor would be deemed to be an associate of the BRLMs, if: (a) either of them controlled, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercised control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs.

Except to the extent of participation in the Offer for Sale by the Promoter, the Promoter Group did not participate in the Offer.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate had to be lodged along with the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder, reserved the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds had to specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid could be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund were not treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid had been made.

No Mutual Fund scheme could invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% would not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes could own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs could obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange would be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms had to authorize their respective SCSB or confirm or accept the UPI Mandate Request (in case of Retail Individual Bidders Bidding through the UPI Mechanism) to block their Non- Resident External ("**NRE**") accounts (including UPI ID, if activated), or Foreign Currency Non-Resident ("**FCNR**") Accounts, and Eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms had to authorize their respective SCSB confirm or accept the UPI Mandate Request (in case of RIBs using the UPI Mechanism) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Offer through the UPI Mechanism were advised to enquire with the relevant bank, whether their account was UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis were advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Participation by Eligible NRIs in the Offer was subject to the FEMA Non-Debt Instruments Rules. Only Bids accompanied by payment in Indian Rupees/ fully converted foreign exchange would be considered for Allotment.

In accordance with the FEMA Non-Debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

For further details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 368.

Bids by HUFs

Bids by HUFs, were required to be made in the individual name of the *karta*. The Bidder/Applicant had to specify that the Bid was being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *karta*". Bids/Applications by HUFs were considered at par with Bids/Applications from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) should be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Non-Debt Instruments Rules, the total holding by each FPI or an investor group should be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Non-Debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations was required to be attached to the Bid cum Application Form, failing which our Company reserved the right to reject any Bid without assigning any reason.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/ or may purchase or sell securities other than equity instruments.

FPIs were permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

In case the total holding of an FPI increases beyond 10% of our total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI would be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor would be required to comply with applicable reporting requirements.

An FPI issuing offshore derivate instruments is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to, *inter alia*, the following conditions:

(a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

The FPIs who participated in the Offer were advised to use the Bid cum Application Form for non-residents.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs were not treated as multiple Bids:

- FPIs which utilise the multi investment manager ("**MIM**") structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category I FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN were collated and identified as a single Bid in the Bidding process. The Equity Shares Allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids were liable to be rejected.

Bids by Anchor Investors

(a) In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below. Anchor Investor Application Forms were made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bid had to be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100.00 million. A Bid could not be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund were aggregated to determine the minimum application size of ₹ 100.00 million.

(c) One-third of the Anchor Investor Portion was reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors was opened one Working Day before the Bid/Offer Opening Date, and was completed on the same day.

(e) Our Company and the Promoter Selling Shareholder, in consultation with the BRLMs finalised the allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion were not less than: maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100.00 million; minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100.00 million but up to ₹ 2,500.00 million, subject to a minimum Allotment of ₹ 50.00 million per Anchor Investor; and in case of allocation above ₹ 2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500.00 million, and an additional 10 Anchor Investors for every additional ₹ 2,500.00 million, subject to minimum Allotment of ₹ 50.00 million per Anchor Investor.

(f) Allocation to Anchor Investors was completed on the Anchor Investor Bid/Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation was made, were made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors could not withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) If the Offer Price was greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price would be payable by the Anchor

Investors on the Anchor Investor Pay-In Date specified in the CAN. If the Offer Price was lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors would be at the higher price.

(i) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(j) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLMs), nor any "person related to Promoter or Promoter Group" could apply in the Offer under the Anchor Investor Portion.

(k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion were not considered multiple Bids. The above information was given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus and this Prospectus.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the SEBI VCF Regulations, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

Accordingly, the holding in any company by any individual VCF or FVCIs registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

Participation of AIFs, VCFs and FVCIs was subject to the FEMA Non-Debt Instruments Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Promoter Selling Shareholder or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, had to be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder in consultation with the BRLMs reserved the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee were required to be attached to the Bid cum Application Form, failing which our Company and the Promoter Selling Shareholder in consultation with the BRLMs reserved the right to reject any Bid without assigning any reason. The investment limit for banking companies in non-financial services companies would be in accordance with the Banking Regulation Act, 1949 and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

Bids by SCSBs

SCSBs participating in the Offer were required to comply with the terms of the SEBI circulars (nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs were required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account had to be used solely for the purpose of making application in public issues and clear demarcated funds had to be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI had to be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder in consultation with the BRLMs reserved the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 as amended are broadly set forth below:

(a) equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

(b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

* *The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000 million or more but less than ₹2,500,000 million.*

Insurance companies participating in this Offer had to comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund had to be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder in consultation with the BRLMs reserved the right to reject any Bid, without assigning any reason thereof.

Bids under power of attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, NBFC-SI insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹250 million, in each case, subject to applicable law and in accordance with their respective constitutional documents, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws had to be lodged along with the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder in consultation with the BRLMs reserved the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Promoter Selling Shareholder in consultation with the BRLMs in their absolute discretion, reserved the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to such terms and conditions that our Company and the Promoter Selling Shareholder in consultation with the BRLMs deemed fit.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important NBFCs, were required to be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder in consultation with the BRLMs, reserved the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Offer had to comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs would be as prescribed by RBI from time to time.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being only offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Prospectus as "QIBs".

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information was given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders were advised to make their independent investigations and ensure that any single Bid from them did not exceed the applicable investment limits or maximum number of the Equity Shares that could be held by them under applicable law or regulation or as specified in the Red Herring Prospectus and this Prospectus.

In accordance with existing regulations issued by the RBI, OCBs could not participate in this Offer.

General Instructions

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;

4. Ensure that your PAN is linked with Aadhaar in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021;

5. Ensure that you (other than Anchor Investors) have mentioned the correct ASBA Account number and such ASBA account belongs to you and no one else if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form (with maximum length of 45 characters) and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID in the Bid cum Application Form;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. Retail Individual Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;

7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;

8. Ensure that you request for and receive a stamped acknowledgement counterfoil by specifying the application number for all your Bid options as proof of registration of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

9. If the first Bidder is not the ASBA Account holder (or the UPI-linked bank account holder, as the case may be), ensure that the Bid cum Application Form is signed by the ASBA Account holder (or the UPI-linked bank account holder, as the case may be);

10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms. PAN of the First Bidder is required to be specified in case of joint Bids;

11. RIBs bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI (only for RIBs using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

13. Retail Individual Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;

14. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

15. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by Bidders who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

16. Ensure that the Demographic Details are updated, true and correct in all respects;

17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

18. Ensure that the category and the investor status is indicated in the Bid cum Application Form;

19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;

21. Ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;

22. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the mobile application and the UPI handle being used for making the application in the Offer is also appearing in the "list of mobile applications for using UPI in public issues" displayed on the SEBI website;

23. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;

24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date;

25. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;

26. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs;

27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. The bids may be collated and identified as a single bid in the bidding process. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected; and

28. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).

The Bid cum Application Form was liable to be rejected if the above instructions, as applicable, were not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which were not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 was liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders);

3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

7. Do not submit the Bid for an amount more than funds available in your ASBA account.

8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;

9. In case of ASBA Bidders, do not submit more than one ASBA Form per ASBA Account;

10. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;

11. Anchor Investors should not Bid through the ASBA process;

12. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

13. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

14. Do not submit the General Index Register (GIR) number instead of the PAN;

15. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

16. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

17. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

18. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

19. Do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;

20. If you are a QIB, do not submit your Bid after 3:00 pm on the QIB Bid/Offer Closing Date;

21. Do not Bid on another ASBA Form after you have submitted a Bid to any of the Designated Intermediaries;

22. Do not Bid for Equity Shares in excess of what is specified for each category;

23. Do not fill up the Bid cum Application Form such that the Equity Shares Bid, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;

24. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of Retail Individual Bidders Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;

25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/ Offer Closing Date;

26. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;

27. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;

28. Do not Bid if you are an OCB;

29. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIBs using the UPI Mechanism;

30. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIBs Bidding using the UPI Mechanism;

31. Do not submit a Bid cum Application Form with a third party UPI ID or using a third party bank account (in case of Bids submitted by Retail Individual Bidders using the UPI Mechanism); and

32. RIBs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website was liable to be rejected.

The Bid cum Application Form was liable to be rejected if the above instructions, as applicable, were not complied with.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors should reach out to our Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, see "*General Information*" on page 74.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

For helpline details of the Book Running Lead Managers, the Registrar to the Offer and the Sponsor Bank as required by SEBI, see "*General Information*" on page 74.

Names of entities responsible for finalising the Basis of Allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the BRLMs and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Offer may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum Bid Lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Escrow Account(s) for Anchor Investors

Our Company and the Promoter Selling Shareholder in consultation with the BRLMs, in their absolute discretion, have decided the list of Anchor Investors to whom the CAN was sent, pursuant to which the details of the Equity Shares allocated to them in their respective names were notified to such Anchor Investors. Anchor Investors were not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors had to transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) had to be drawn in favour of:

(a) In case of resident Anchor Investors: "CMS INFO SYSTEMS LIMITED-ANCHOR RESIDENT"

(b) In case of Non-Resident Anchor Investors: "CMS INFO SYSTEMS LIMITED-ANCHOR NON RESIDENT"

Anchor Investors were informed that the escrow mechanism was not prescribed by SEBI and had been established as an arrangement between our Company, the Promoter Selling Shareholder, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid Amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company, after filing the Red Herring Prospectus with the RoC, published a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all editions of The Financial Express, a widely circulated English national daily newspaper; (ii) all editions of Jansatta, a Hindi national daily newspaper; and (iii) Mumbai editions of Navshakti, a widely circulated Marathi national daily newspaper, Telugu also being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation.

In the pre-Offer advertisement, we stated the Bid/ Offer Opening Date and the Bid/ Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, was in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

The above information was given for the benefit of the Bidders/applicants. Our Company, the Promoter Selling Shareholder and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders/applicants were advised to make their independent investigations and ensure that the number of Equity Shares Bid for did not exceed the prescribed limits under applicable laws or regulations and as specified in the Red Herring Prospectus and this Prospectus, when filed.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Promoter Selling Shareholder and the Syndicate have entered into an Underwriting Agreement on or immediately after the finalisation of the Offer Price but prior to the filing of Prospectus.

(b) After signing the Underwriting Agreement, a prospectus is being filed with the RoC in accordance with applicable law and is termed as the 'Prospectus'. This Prospectus contains details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and is complete in all material respects.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). For more information, see "*Terms of the Offer*" on page 344.

Undertakings by our Company

Our Company undertakes the following:

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/ Offer Closing Date or such other period as may be prescribed;

- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;

- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within six Working Days from the Bid/ Offer Closing Date or such other prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- Promoter's contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;

- Except for Equity Shares that may be allotted pursuant to the conversion of employee stock options granted under CEO ESOP 2016, Management ESOP 2016 and Employee ESOP 2016, no further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.

Undertakings by the Promoter Selling Shareholder

The Promoter Selling Shareholder undertakes that:

- the Equity Shares being sold by it pursuant to the Offer have been held by it for a period of at least one year prior to the date of filing the Draft Red Herring Prospectus with SEBI, are fully paid-up and are in dematerialised form;

- it shall provide all reasonable co-operation as requested by our Company in relation to the completion of Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders pursuant to the Offer;

- it is the legal and beneficial owner of the Equity Shares which are offered by it pursuant to the Offer for Sale and are free and clear of any pre-emptive rights, liens, charges, pledges, or transfer restrictions;

- that it shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of investor grievances pursuant to the Offer;

- it is not debarred from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI;

- it shall not have recourse to the proceeds of the Offer, which shall be held in escrow in its favour, until final approval for trading of the Equity Shares from the Stock Exchanges where listing is sought has been received.

- The filing of the Red Herring Prospectus and this Prospectus does not absolve the Promoter Selling Shareholder from any liabilities to the extent of the statements specifically made or confirmed by it, under Section 34 or Section 36 of Companies Act, 2013.

Utilisation of Offer proceeds

Our Company and the Promoter Selling Shareholder, severally and not jointly, specifically confirm that all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

Impersonation

Attention of the applicants was specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"*Any person who:*

(a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

(b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

(c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment under the FDI Policy and FEMA.

The Government has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (*earlier known as Department of Industrial Policy and Promotion*) ("**DPIIT**"), issued the FDI Policy, which is effective from October 15, 2020 (the "**FDI Policy**"), which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions. For details, see "*Key Regulations and Policies*" on page 172.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs could not participate in this Offer. For details, see "*Offer Procedure*" on page 351.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-Debt Instruments Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Non-Debt Instruments Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Each Bidder had to seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India was required, and such approval had been obtained, the Bidder had to intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Offer Period.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and the applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold (i) within the United States only to persons reasonably believed to be U.S. QIBs in reliance on Rule 144A or another available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S, and in each case in compliance with the applicable laws of the jurisdiction where those offers and sales are made. There will be no public offering of Equity Shares in the United States. Prospective purchasers are hereby notified that sellers of the Equity Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A thereunder.

The above information was given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders were advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

The Articles of Association of our Company comprise of two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other. In case of inconsistency between Part A and Part B, the provisions of Part B shall prevail and be applicable, however, Part B shall automatically terminate and cease to have any force and effect from the date of listing of equity shares of our Company on recognized stock exchange(s) in India pursuant to an initial public offering ("**IPO**") without any further corporate action by our Company or by the shareholders.

PART A OF THE ARTICLES OF ASSOCIATION (APPLICATION OF TABLE F)

1. The Regulations contained in Table 'F' in the Schedule I of the Companies Act, 2013 shall not apply to this Company.

NAME OF THE COMPANY

2. The name of the Company is changed from **Subhiksha Realty Private limited** to **CMS Info Systems Private Limited** under the approval of the Central Government and by passing a special resolution at the Extraordinary General Meeting of the shareholders held on December 5, 2008.

3. The name of the Company is changed from **CMS Info Systems Private Limited** to **CMS Info Systems Limited** by passing a special resolution at the Extraordinary General Meeting of the shareholders held on December 24, 2014.

DEFINITIONS AND INTERPRETATION

4. Definitions:

In these Articles, (i) capitalised terms defined by inclusion in quotations and/ or parenthesis have the meanings so ascribed; and (ii) the following terms shall have the following meanings assigned to them herein below:

(a) "**Act**" shall mean the Companies Act, 2013 (to the extent notified by the Government of India and in force on the relevant date) and the Companies Act, 1956 (to the extent not repealed and replaced by the provisions of the Companies Act, 2013 as on the relevant date), and in each case, as amended, modified or re-enacted from time to time;

(b) "**Articles**" or "**these Articles**" shall mean these Articles of Association of the Company, as altered or **restated** from time to time;

(c) "**Board**" or "**Board of Directors**" shall mean the board of directors of the Company as constituted and **reconstituted** from time to time in accordance with the terms of these Articles;

(d) "**Board Meeting**" means a meeting of the Board of Directors held in accordance with the Act and these **Articles**;

(e) "**Company**" shall mean CMS Info Systems Limited, a company incorporated under the Act;

(f) "**Director**" shall mean a director of the Company as defined in the Act;

(g) "**Fully Diluted Basis**" means the total of all classes and series of shares outstanding on a particular date, combined with all options (whether granted, vested or exercised or not), warrants (whether **exercised** or not), convertible securities of all kinds, any other arrangements relating to the equity of a person, all on an "as if converted" basis. For the purpose of these Articles, "as if converted" basis shall mean as if such instrument, option or security had been converted into, exercised, or exchanged for equity shares of the person in accordance with their terms;

(h) "**Memorandum of Association**" or "**Memorandum**" shall mean the memorandum of association of the **Company**;

(i) "**Sion**" shall mean Sion Investment Holdings Pte. Limited.

(j) "**Shares**" shall mean the equity shares of the Company, having a face value of INR10 (Rupees ten) each;

(k) "**Share Capital**" shall mean issued and subscribed share capital of the Company, on a Fully Diluted Basis;

(l) "**Shareholder**" shall mean a person registered as the holder of any Shares in the register of members of the Company;

5. Interpretation

(a) The terms referred to in these Articles shall, unless defined otherwise or inconsistent with the context or meaning thereof, bear the meanings ascribed to them under applicable law.

(b) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.

(c) Words denoting the singular shall include the plural and words denoting any gender shall include all genders.

(d) Headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are for information only and shall not form part of the operative provisions of these Articles and shall be ignored in construing the same.

(e) Reference to days, months and years are to calendar days, calendar months and calendar years, respectively.

(f) Words "directly or indirectly" mean directly or indirectly through one or more intermediary persons or through contractual or other legal arrangements, and "direct or indirect" have the correlative meanings.

(g) Any reference to "writing" shall include printing, typing, lithography and other means of reproducing words in visible form.

(h) The words "include" and "including" are to be construed without limitation.

TYPE OF COMPANY AND SHARE CAPITAL

6. The Company is a public limited company within the meaning of Section 2(71) of the Act and accordingly, the Company:

(a) is not a private company; and

(b) has, and shall have, a minimum paid up share capital as may be prescribed under applicable law;

7. Subject to the Act and Article 6 (b), the authorised Share Capital of the Company shall be such amount and be divided into such Shares as may, from time to time, be provided in Clause V of the Memorandum of Association of the Company, payable in the manner as may be determined by the Directors from time to time, with powers to increase, issue, reduce, sub-divide or repay the same or to divide the same into several classes and to attach thereto any rights, privileges and conditions, and to vary, modify or abrogate any such rights, privileges or conditions, and to consolidate or reorganize the Shares into classes.

ALTERATION OF SHARE CAPITAL AND ISSUE OF SHARES

8. Increase of Capital

Subject to the provisions of the Act and these Articles, the Company may, from time to time, in its general meeting increase its Share Capital by the creation of new Shares of such amounts as may be deemed expedient. The new Shares shall, subject to the provisions of the Act and these Articles, be created upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting creating the same shall direct.

9. Subject to the provisions of the Act and these Articles, the Company may, in general meeting:

(a) consolidate and divide all or any of its Share Capital into Shares of larger amount than its existing Shares;

(b) convert all or any of its fully paid-up Shares into stock, and reconvert that stock into fully paid-up Shares of any denomination;

(c) sub-divide its existing Shares or any of them into Shares of smaller amount than is fixed by the Memorandum;

(d) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of the Share Capital.

10. (a) Subject to the provisions of Section 62, and other applicable provisions (if any) of the Act and Articles, the Share Capital structure of the Company for the time being (including any shares forming part of any increased share capital of the Company) shall be under the sole control of the Board who may at any time issue, allot or otherwise dispose of the same or any of them, to such Persons, in such proportion and on such terms and conditions and either at a premium or at par, and with full power to give any person the option or right to call for or be allotted shares of any class of the Company for such time and for such consideration as the Board may think fit, provided that the option or right to call for is in accordance with the applicable provisions of the Act.

(b) Subject to the provisions of the Act and Articles, the Board may issue and allot shares in the Share Capital of the Company on payment or part payment for consideration other than cash, like property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company and any such shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash at the sole discretion of the Board, and if so issued, shall be treated as fully paid-up or partly paid-up shares, as the case may be.

11. Subject to the provisions of the Act and these Articles, the Company shall have the power to issue or re-issue preference shares in one or more series, whether convertible into Shares or not, and whether liable to be redeemed or otherwise, and on such terms and conditions, and to such persons, as may be specified in the resolution authorizing the same.

12. Subject to the provisions of the Act and these Articles, the Board may, if it thinks fit, allot and issue Shares as payment for any property brought into, or transferred to, or for services rendered to, the Company, in the conduct of its business and any such Shares shall be issued as fully paid up Shares.

13. Subject to the provisions of the Act and these Articles, the Company shall have the power to issue fully paid up bonus Shares to the Shareholders out of: (i) free reserves; (ii) the securities premium account; and (iii) the capital redemption reserve account.

14. Subject to applicable law and these Articles, the Company shall have the power, by passing a special resolution at a general meeting, to undertake a reduction of its (a) Share Capital, or (b) any capital redemption reserve account or (c) any share premium account, in each case, on the terms and conditions and in the manner specified in such resolution.

FURTHER ISSUE OF CAPITAL

15. Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered:

    (a) to persons who, at the date of the offer, are holders of Shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:

        (i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days or such other time period as may be permitted under applicable law and not exceeding 30 (thirty) days or such other time period as may be permitted under applicable law from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

        (ii) the offer aforesaid shall be deemed-to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in clause (i) above shall contain a statement of this right;

        Provided that the Board may, without assigning any reason therefor, decline to allot any Shares to any Person in whose favour any Member may renounce Shares offered to such Member, in accordance with applicable laws.

        (iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company;

    (b) to employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under the law;

    (c) to any persons, if it is authorized by a Special Resolution, whether or not those Persons include the persons referred to in clause (a) or clause (b) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to law;

    (d) the notice referred to in clause (i) of sub-article (a) shall be dispatched through registered post or speed post or through electronic mode or such other method as may be permitted under applicable law to all the existing Shareholders at least 3 (three) days before the opening of the issue.

    (e) nothing in these Articles shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option or to the conversion of such debentures or loans into shares of the Company as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company:

    Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a Special Resolution passed by the Company in a general meeting.

    (f) The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act and other applicable provisions of the Act and rules framed thereunder.

SHARE CERTIFICATES

16. Every Shareholder shall be entitled without payment, to one or more certificates, in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fees as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within the time specified by the law applicable at the time. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount

paid-up thereon. Every certificate of shares shall be in the form and manner specified in the Articles and in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the first named joint holders shall be sufficient delivery to all such holders.

17. The Company shall cause to keep a register and index of beneficial owners in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. Subject to the applicable provisions of the Act, either the Company or a person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialised state with a Depository. Where a person opts to hold any share with the Depository, the Company shall intimate such Depository the details of allotment of the share(s) to enable the Depository to enter in its records the name of such person as the Beneficial Owner of that share and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof.

18. If any certificate be worn out, defaced, mutilated or torn or there be no further space on the back thereof for endorsement of Transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof and if any certificate is lost or destroyed then upon proof thereof, to the satisfaction of the Company and on execution of such indemnity as the Company deems accurate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of fees in accordance with the law applicable at the time and as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of Transfer.

    Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act,1956 or any other Act, or rules applicable thereof in this behalf.

19. The Company shall issue certificates or receipts or advices, as applicable, of subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicates thereof or issuance of new certificates or receipts or advices, as applicable, in cases of loss or old decrepit or worn out certificates or receipts or advices, as applicable within a period of thirty days from the date of such lodgement.

20. Every person whose name is entered as a Member in the Register of Members shall be entitled, in respect of their shareholdings, to seek consolidation or sub-division of their certificates and the issue of one or several certificates in respect of such consolidation or sub-division, upon payment of such fee as the Board may deem fit, subject to applicable law. The charges may be waived off by the Company.

21. The provisions of these Articles relating to share certificates shall *mutatis mutandis* apply to certificates relating to all other securities of the Company, including debentures, except where the Act or Rules otherwise provide.

    Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its shares, debentures and other securities pursuant to the Depositories Act, 1996.

BORROWING AND FINANCIAL MATTERS

22. Subject to the provisions of the Act and these Articles, the Board may, from time to time, at its discretion, borrow, raise or secure the payment of any sum of money for and on behalf the Company (including, by way of issue of debentures or other instruments representing such borrowings, whether secured or unsecured, and whether redeemable or convertible into Shares) in such manner and upon such terms and conditions as it may think appropriate, with the power to secure the payment or repayment of such money by creation of an encumbrance upon the whole or any part of the assets, property and/or revenue ofthe Company (present and future).

23. Any bonds, debentures, debenture-stock or other securities may if permissible in law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms

and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Shares shall not be issued except with, the consent of shareholders of the Company in a general meeting thereof, accorded by passing a Special Resolution.

BUY BACK

24. Subject to the provisions of the Act and these Articles, the Company may purchase its own Shares, subject to such limits, upon such terms and conditions, and subject to such approvals, as may be required under applicable law, or as may be specified in the resolution authorizing the same.

CALLS ON SHARES

25. If the calls in respect of any monies unpaid on Shares are not made payable at fixed times by the conditions of allotment of such Shares, the Board may, from time to time, as maybe deemed fit, make calls upon the members in respect of any monies unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium). A call may be revoked or postponed at the discretion of the Board, provided that the option or right to call on shares shall not be given to any person except with the sanction of the Company in a general meeting.

26. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and shall be required to be paid in the manner prescribed by the Board.

27. In the event that a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, such Share may be forfeited by the Company in accordance with the provisions of the Act and these Articles.

28. Any unpaid sum on the Shares which by the terms of issue of the Shares becomes payable on allotment or at any fixed date, shall be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. In case of non-payment of such sum, all the relevant provisions of these Articles as to consequences of non-payment of calls, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

29. The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him, provided that the money paid in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend and participate in profits or any excess or advancement of voting rights. The Directors may at any time repay the amount so advanced. The provisions shall apply mutatis mutandis to debentures of the Company.

LIEN

30. The Company shall have the first and paramount lien –

    (a) on every Share (not being a fully paid Share) for all monies (whether presently payable or not) called or payable at a fixed time in respect of the Shares;

31. The Company's lien, if any, on a Share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

32. The Company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien.

    (a) To give effect to any such sale, the Board may authorise some person to transfer the Shares sold to the purchaser thereof.

    (b) The purchaser of such Shares shall be registered as the holder of the Shares comprised in any such transfer.

(c) The purchaser and shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

33. (a) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(b) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

FORFEITURE OF SHARES

34. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, by adopting a resolution to that effect and serving a notice on such member pursuant thereto, declare that the Shares respect of which the calls or instalment was not paid, stand forfeited, and such Shares shall accordingly stand forfeited.

35. A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

36. A Shareholder whose Shares have been forfeited shall cease to be a member in respect of the forfeited Shares and shall have no further rights with respect to the Company, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the Shares. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares (whether from such Shareholder or any subsequent holder of such Shares).

37. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, as if the same had been payable by virtue of a call duly made and notified.

TRANSFER OF SHARES

38. (a) The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and the transferee.

(b) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

39. A common form of transfer shall be used. The instrument of transfer shall be in writing and all the provisions of the Act, the Rules and applicable laws shall be duly complied with in respect of transfer of shares and registration thereof.

40. Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the Transfer of, or the transmission by operation of Law of the right to, any Securities or interest of a Shareholder in the Company. The Company shall, within the time required under the law applicable at the time, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

If the Company has not effected transfer of securities within 15 days or where the Company has failed to communicate to the transferee(s) any valid objection to the transfer, within the stipulated time period of 15 days, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay. Further, in relation to the aforementioned period of delay the Company shall provide all benefits, which have accrued, to the holder of securities in terms of provisions of Section 126 of Companies Act, 2013, and Section 27 of the Securities Contracts (Regulation) Act, 1956.

41. However, the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company in any manner and on any account

whatsoever. Provided however registration of transfer may be refused if the Company has a lien on the shares that are proposed to be transferred or if such shares are not fully paid.

FOREIGN REGISTER

42. Subject to and in accordance with the powers conferred on the Company by Section 88 of the Act, the Company may keep in any country outside India in the prescribed manner, a part of its Register, register of debenture holders, and/or register of security holders or beneficial owners residing outside India.

MEETINGS

43. Annual General Meetings

Subject to and in accordance with the provisions of the Act, the Company shall in each year hold, in addition to other meetings, a general meeting which shall be styled as its "Annual General Meeting" in accordance with the provisions of Section 96 of the Act.

44. Extra-Ordinary General Meetings

All general meetings other than Annual General Meeting shall be called Extraordinary General Meetings.

45. Proceedings at General Meetings

(a) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and throughout the meeting. The quorum for the general meeting shall be as provided in the Act.

(b) The chairperson of the Board shall be entitled to preside as the chairperson at every general meeting of the Company.

(c) In the event that the Chairperson he is not present within 60 (sixty) minutes from the time appointed for holding the general meeting, or is unwilling to act as the chairperson of the meeting, the Directors present shall elect one of their members to be the Chairperson of the meeting.

(d) If at a meeting no Director is willing to act as the Chairperson or if no Director is present within 60 (sixty) minutes after the time appointed for holding the meeting, the members present shall choose one of them to be the Chairperson of the meeting.

46. Quorum

If at any general meeting the quorum is not present within 60 (sixty) minutes from the time appointed for holding the meeting, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other dayand at such time and place as the Chairperson maydetermine.

47. Convening of Meetings

(a) Subject to and in accordance with the provisions of the Act, the Board may convene a meeting of the Shareholders by providing at least 21 (twenty-one) clear days prior written notice, in the manner prescribed under applicable law. However, a meeting of the Shareholders may be held at shorter notice, with the consent of the requisite majority of Shareholders as required in this regard under applicable law.

(b) Upon a requisition being made in writing by any Shareholder or a group of Shareholders who collectively hold at least 10% of the fully – paid up Shares of the Company, carrying voting rights, the Board shall give notice of, convene and hold a meeting of the Shareholders on the date specified in the notice of such requisition. If the date specified is less than 21 days from the date of the notice of such requisition, then such meeting shall be held subject to the consent of the requisite majority of Shareholders as required in this regard under applicable law being obtained. The agenda for such meeting of the Shareholders shall be as specified by such Shareholders who collectively hold at least

10% of the fully – paid up Shares of the Company, carrying voting rights, in the notice of such requisition.

48. Adjournment of the Meeting

(a) The Chairperson may, with the consent of the majority of the Shareholders present at any meeting at which the quorum is present, adjourn any meeting from time to time and from place to place, subject to the presence of quorum (as specified in these Articles) at such adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place. No notice of adjourned meeting shall be necessary to be given unless the meeting is adjourned for a period longer than 30 (thirty) days.

(b) Save as aforesaid and as provided under Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

49. Voting Rights

(a) Subject to any rights or restrictions for the time being attached to any class or classes of Shares, and the provisions of these Articles:

(i) on a show of hands, every member of the Company entitled to vote and present in person, or by attorney or by proxy or being a corporation is present by a representative or proxy; and

(ii) on a poll**,** every member of the Company who being an individual is present in person or by attorney or by proxy or being a corporation is present by a representative or proxy shall, in each case, have a voting right in proportion to his or its share of the paid-up capital of the Company.

(b) A member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.

(c) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

(d) In the case of joint holders, the vote of the senior of the joint holders, who tenders a vote, whether in person or through a representative or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

50. Proxies

(a) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 (forty-eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. If the instrument of proxy is not deposited in accordance with the provisions of this Article, the same shall not be treated as valid.

(b) An instrument appointing a proxy shall be in the form as prescribed in the Act and the rules made under Section 105 of the Act.

THE BOARD

51. Subject to the provisions of the Act and these Articles, the control of the Company shall vest in the Board of Directors who may exercise all powers of the Company subject nevertheless to such regulations not inconsistent with the aforesaid provisions as may be prescribed by the Company in a general meeting but no such regulation shall invalidate any prior act of the Directors if otherwise valid.

52. Board Composition

(a) The Board shall consist of a minimum of three (3) directors and a maximum of fifteen (15) directors.

(b) Notwithstanding anything contained in these Articles, from the date of receipt of the listing and trading approval in relation to the IPO, subject to the approval in the first general meeting of the Shareholders convened after listing of the equity shares of the Company pursuant to the IPO by way of special resolution, Sion shall have the right to nominate two Directors on the Board and the directors nominated by Sion shall be non-executive directors who may or may not be required to retire by rotation as per applicable provisions, till such time Sion is a Shareholder. Sion shall have the power, by serving a notice in writing upon the Company, to withdraw or replace such nominee directors of Sion.

(c) Subject to (a) and (b), the Company shall have the power to appoint directors in accordance with applicable law.

(d) Directors of the Company shall not be required to hold qualification shares.

53. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

54. Alternate Directors

(a) Subject to the provisions of the Act and these Articles, the Board of Directors may appoint an alternate Director to act for a Director (hereinafter in this Article called "**the original Director**") at his suggestion or otherwise, during his absence for a period of not less than 3 (three) months from India.

(b) An alternate Director appointed pursuant to this Article shall not hold office as such for a period longer than permissible to the original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to India.

(c) If the term of office of the original Director is determined before he so returns India, any provision for the automatic reappointment of the retiring Directors in default of another appointment shall apply to the original and not to the Alternate Director.

55. Additional Directors

(a) Subject to the provisions of the Act, these Articles, the Board shall have power at any time, and from time to time, to appoint a person as an additional Director, provided the number of the Directors and additional Directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

(b) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a Director at that meeting subject to the provisions of the Act.

56. Remuneration

(a) The remuneration payable to Directors, shall, subject to the applicable provisions of the Act and of these Articles and of any contract between the Director and the Company, be fixed by the Company in a general meeting, and may be by way of fixed salary and/or perquisites or commission on profits of the Company or participation in such profits, or by any or all these modes not expressly prohibited by the Act.

(b) The fees payable to a Director for attending a meeting of the Board or Committee thereof shall be as decided by the Board of Directors from time to time and subject to such ceiling as may be prescribed by the Act or the Central Government. The Directors may, subject to applicable law, and pursuant to resolution passed by the Board, be payable a sitting fee for all meetings of the Board.

(c) In addition to the remuneration or fee payable to them, the Directors may be reimbursed by the Company for travel, lodging and other out-of-pocket costs and expenses incurred by them, on the basis of actual expenditure, in the manner and to the extent as may be prescribed and approved by the Board.

57. Special remuneration for extra services

Subject to the limitations provided by the Act and these Articles, if any Director, being willing, is called upon to perform extra services outside the scope of his ordinary duties, the Board may remunerate the Director for so doing either by way of a fixed sum or otherwise, as they shall think fit and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled, subject to the provisions of the Act.

PROCEEDINGS OF DIRECTORS' MEETING

58. Meeting of Directors

The Directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings and proceedings as they think fit; provided, however, that a meeting of the Board of Directors shall be held at least once in every 3 (three) months, and at least 4 (four) such meetings shall be held in every year such that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive meetings of the Board.

59. Convening Meetings

Any Director may summon a meeting of the Company, and the Company Secretary or any other person authorised in this behalf by the Board, shall convene a meeting of the Board in consultation with the Chairman or in his absence with the Managing Director or in his absence with any Whole Time Director, with at least 7 (seven) days prior written notice to each member of the Board. However, the Board Meeting can be held at a shorter notice, with the prior written consent of not less than 50% of the Directors, subject to the presence of at least one independent Director at such meeting.

Provided further that in case of absence of independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one independent Director.

60. Quorum

(a) The quorum for meeting of the Board of Directors of the Company shall be one- third of its total strength (any fraction contained in that one-third being rounded off as one) or 2 (two) Directors whichever is higher.

(b) If a meeting of the Board could not be held for want of quorum, then, unless the Directors present at such meeting otherwise decide, the meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place. The quorum for such adjourned meeting of the Board of Directors of the Company shall be one-third of its total strength (any fraction contained in that one-third being rounded off as one) or 2 (two) Directors whichever is higher.

(c) In case of equality of votes, the chairperson of the Board shall have a second or casting vote.

(d) Subject to the provisions of the Act, Directors may participate in relevant meetings by telephone or video conferencing or audio-visual means or any other means of contemporaneous communication, provided that each Director must acknowledge his presence for the purpose of the meeting. Any Director attending a meeting other than in person shall conclusively be presumed to have been present and formed part of the quorum at all times during the meeting unless such Director has previously notified the Board of its intent to leave the meeting.

61. Voting

Each Director shall have 1 (one) vote. Subject to the provisions of the Act and these Articles, the adoption of any resolution of the Board, or any other action or decision of the Board, shall require the affirmative vote of a majority of the Directors present in the meeting.

62. Chairman

The Board shall appoint one of the Directors as the Chairman of the Board and such appointment shall require the affirmative vote of a three fourth majority of the Directors present at a duly constituted meeting of the Board. In the event of any equality of votes, the Chairman of the Board shall have a second or casting vote.

63. Committee

(a) The Board may constitute such committees as it may deem fit and proper to assist with the management of specific aspects of the business of the Company ("**Committees**") and to ensure compliance with the applicable provisions of the Act.

(b) The meetings of each Committee shall be convened at such frequency as the members of such Committee / Board of Directors may decide from time to time.

(c) The provisions of these Articles in so far as they apply to the meetings of the Board shall apply *mutatis mutandis* to the meetings of the Committees.

(d) Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

64. All acts done in any meeting of the Board or of a Committee or by any person acting as a Director shall, notwithstanding that it may be afterwards discovered that that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or person had been duly appointed and was qualified to be a Director.

65. Save as otherwise expressly provided in the Act, and subject to the provisions of these Articles, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

NOTICES

66. The notice for each Board Meeting shall be required to be given to each Director of the Company, whether residing in India or abroad, at the address given, by such Director to the Company.

67. The notice for each general meeting shall be given to all Shareholders, whether in India or abroad, existing on the date of such notice and whose name appears in the register of members. Such notice shall be given to all Shareholders, at the address specified in the Register, or at such other address as the Shareholder may have specified in writing to the Company.

68. The notices mentioned above may be sent by registered post, courier, facsimile, telex or any other form of electronic communication capable of making a written record.

DIVIDENDS AND RESERVE

69. Subject to the provisions of the Act and to these Articles, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the Board.

70. Subject to the provisions of the Act and these Articles, the Board may, from time to time, pay such interim dividends as appear to it to be justified by the distributable profits of the Company.

71. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either

be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Board may, from time to time, thinks fit.

72. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

73. Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the Shares in the Company, dividends may be declared and paid according to the amounts of the Shares.

74. Notwithstanding anything contained in these Articles, the dividends paid by the Company shall at the discretion of the Board be paid to the Shareholder in proportion to the amount called and paid up on each Share, and not on any amounts uncalled but advanced by members.

75. Unclaimed Dividend

(a) The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

(b) If the Company has declared a dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of Dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the "**Unpaid Dividend of CMS Info Systems Limited**".

(c) Any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the fund established under sub-section (1) of section 125 of the Act, viz. "Investors Education and Protection Fund".

(d) There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

ACCOUNTS

76. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being Directors.

77. No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by Act or authorised by the Board or by the Company in its general meeting.

AUDIT

78. The Company shall, at its Annual General Meeting, appoint an Auditor(s) to hold office for such period as may be permissible under the Act and applicable law, subject to annual ratification of same by the members at a general meeting. The rights and duties of the Auditors shall be regulated in accordance with provisions of the Act.

CORPORATE RECORDS

79. The Company shall maintain corporate records, such as minutes of meetings, appropriate registers, etc., in accordance with applicable law.

80. Shareholders of the Company shall have the right to inspect such corporate records of the Company as may be permitted under the applicable laws with or without payment, as the case may be, subject to applicable

provisions of law, and the Company shall provide full co-operation, and take all actions necessary for, facilitating such inspection.

THE SEAL

81. The Board shall provide for the common seal and its safe custody, and may, by authority of a resolution passed by it, provide for the common seal to be transported from the registered office of the Company to any other place in India for affixation to any instrument, in accordance with the Act and these Articles.

82. The seal of the Company shall not be affixed to any instrument, except by the authority of a resolution of the Board or of a Committee of the Board authorized by it in that behalf, and in the presence of any one (1) Director or the Company Secretary of the Company; provided that the Board or a Committee of the Board may, by a resolution, delegate the authority to affix the seal to instrument(s) specified in such resolution, to any officer of the Company.

SECRECY

83. Every Director, manager, company secretary, auditor, member of committee, officer, servant agent, accountant or any other person employed in the business or dealing with the Company, shall observe strict secrecy in respect of all transactions of the Company and in matters relating thereto, and shall not reveal any of the matters which may come to his knowledge during the course of his/her employment with the Company except when required so to do by the Directors, by applicable law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these Articles contained, and shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe the foregoing.

INSURANCE POLICY FOR DIRECTORS AND OFFICERS

84. The Company shall be entitled to obtain and maintain Directors' and Officers' Insurance Policy in respect of any liabilities incurred by a Director, and other than liabilities covered by such policy or specified in a contract executed by the Company with a Director, the Company shall not be liable to indemnify any Director for any liabilities.

BOARD'S POWER TO DEMAT OR REMAT OF SHARES

85. Subject to the provisions of applicable law and these Articles, the Board of Directors are empowered, without any prior sanction of the members, to dematerialise and rematerialise the securities of the Company and issue/ allot fresh securities in dematerialised form. The Board of Directors is also empowered to determine the terms and conditions of such dematerialisation and rematerialisation pursuant to the provisions of the Depositories Act, 1996 and Rules framed thereunder.

PART B OF THE ARTICLES OF ASSOCIATION

86. Definitions:

    "**Sion**" shall mean Sion Investment Holdings Pte Limited.

87. (a) The quorum required for a general meeting shall be 3 (three) members, which must include at least 1 (one) authorised representative or authorized proxy- holder of Sion, unless such requirement has been waived in writing by Sion.

    (b) The authorized representative, or authorized proxy-holder of Sion shall be the Chairperson of the meeting, and shall preside over the general meeting.

88. (a) A meeting of the Shareholders may be held at shorter notice, with the consent of the three fourth majority of Shareholders, which must include the prior written consent of Sion, unless such requirement has been waived in writing by Sion.

    (b) Upon a requisition being made in writing by Sion, the Board shall give notice of, convene and hold a meeting of the Shareholders on the date specified in the notice of such requisition. If the date specified is less than 21 days from the date of the notice of such requisition, then such meeting shall be held subject to the consent of three fourth majority of Shareholders, and the notice of requisition shall be deemed to constitute the grant of consent by Sion for this purpose. The agenda for such meeting of the Shareholders shall be as specified by Sion in the notice of such requisition.

89. The Chairperson may adjourn a meeting with the consent of the majority of the Shareholders present at any meeting at which the quorum is present (which must include the written consent of Sion, unless such requirement has been waived in writing by Sion). The quorum required for such adjourned general meeting shall be 3 (three) members, which must include at least 1 (one) authorised representative or authorized proxy-holder of Sion, unless such requirement has been waived in writing by Sion.

90. (a) Subject to Article 52(a), at least 2 (two) directors shall be nominated by Sion ("**Sion Nominees**"), and the Sion nominees shall be non-executive directors who may or may not be required to retire by rotation as per applicable provisions. Sion shall have the power, by serving a notice in writing upon the Company, to withdraw or replace such Sion Nominees, and the office of the relevant Sion Nominee shall be deemed to have been vacated immediately upon receipt of such a notice by the Company.

(b) Subject to Article 87, the Company shall have the power to appoint directors in accordance with applicable law.

91. A Board Meeting can be held at a shorter notice, with the prior written consent of a three fourth majority of Directors (which must include the consent of at least one of the Sion Nominees, unless such requirement has been waived in writing by Sion).

92. The quorum for meeting of the Board of Directors of the Company must include at least one of the Sion Nominees, unless such requirement has been waived in writing by Sion; provided that where Sion has waived the requirement of quorum including at least one of the Sion Nominees, the Board shall not consider, discuss or vote upon any matters other than matters set out in agenda for such meeting as provided to Sion (or the Sion Nominees).

93. The quorum for an adjourned meeting of the Board of Directors of the Company which must include at least one of the Sion Nominees, unless such requirement has been waived in writing by Sion; provided that where Sion has waived the requirement of quorum including at least one of the Sion Nominees, the Board shall not consider, discuss or vote upon any matters other than matters set out in agenda for such meeting as provided to Sion (or the Sion Nominees).

94. Where any resolution, action or decision of the Board does not receive an affirmative vote from either of the Sion Nominees, the Board and / or the Company shall not act on, or take any steps in respect of, such resolution, action or decision, and such resolution, action or decision shall be referred to, and voted on by, the Shareholders at a duly constituted general meeting of the Company.

95. The appointment of the Chairman of the Board of Directors shall require the affirmative vote of at least one of the Sion Nominees.

96. Sion shall have the right to inspect any corporate records of the Company, and for this purpose, shall have the right to authorize its representatives or advisers to conduct such inspection, and the Company shall provide full co-operation, and take all actions necessary for, facilitating such inspection.

97. The Shareholders shall be entitled to enter into agreements or arrangements restricting their ability to transfer Shares or other securities issued by the Company, and such agreement or arrangement shall be binding on the Company if: (i) the Company is a party to the agreement or arrangement; or (ii) the agreement or arrangement has been notified to the Company in writing (along with a copy thereof), by a Shareholder (each a "**Transfer Restriction**"). The terms of such Transfer Restrictions shall be deemed to have been incorporated in these Articles.

98. Any transfer of Shares or other securities by any Shareholder in violation of a Transfer Restriction, shall be null and void ab initio, and the Company shall not be obligated to register any such transfer.

99. The right to appoint an additional director of the Board shall require the prior written consent of Sion.

100. Notwithstanding anything stated in Article 77, Sion shall have the right to inspect any accounts or books or documents of the Company, and for this purpose, shall have the right to authorise its representatives or advisers to conduct such inspection, and the Company shall provide full co-operation, and take all actions necessary for, facilitating such inspection.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Prospectus) which are or may be deemed material were attached to the copy of the Red Herring Prospectus and will be attached to this Prospectus, as applicable, which will be delivered to the RoC for filing and were also available at the following web-link- https://www.cms.com/investor-relations.php. Copies of the abovementioned documents and contracts and also the documents for inspection referred to hereunder, could be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from date of the Red Herring Prospectus until the Bid/ Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date).

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts for the Offer

1. Offer agreement dated August 14, 2021 between our Company, the Promoter Selling Shareholder and the BRLMs.
2. Registrar agreement dated August 10, 2021 between our Company, the Promoter Selling Shareholder and the Registrar to the Offer.
3. Cash escrow and sponsor bank agreement dated December 14, 2021 between our Company, the Promoter Selling Shareholder, the Registrar to the Offer, the BRLMs, the Syndicate Members, the Escrow Collection Bank(s), Sponsor Bank, Public Offer Bank and the Refund Bank(s).
4. Share escrow agreement dated December 14, 2021 between our Company, the Promoter Selling Shareholder and the Share Escrow Agent.
5. Syndicate agreement dated December 14, 2021 between our Company, the Promoter Selling Shareholder, the BRLMs, the Registrar to the Offer and Syndicate Members.
6. Underwriting agreement dated December 24, 2021 between our Company, the Registrar to the Offer, the Promoter Selling Shareholder and the Underwriters.

B. Material Documents

1. Certified copies of the updated MoA and AoA of our Company as amended from time to time.
2. Certificate of incorporation dated March 26, 2008.
3. Fresh certificate of incorporation consequent upon change of name of our Company, dated December 10, 2008.
4. Fresh certificate of incorporation consequent upon conversion to public limited company dated January 27, 2015.
5. Resolution of our Board dated August 10, 2021, authorising the Offer and other related matters.
6. Resolution of our Board dated August 14, 2021 approving the Draft Red Herring Prospectus.
7. Resolution of our Board dated December 14, 2021 approving the Red Herring Prospectus.
8. Resolution of our Board dated December 24, 2021 approving this Prospectus.
9. Board resolution of Sion Investment Holdings Pte. Limited passed at the meeting dated August 10, 2021, proposing the Offer for Sale.

10. Resolution passed by the members of Sion Investment Holdings Pte. Limited in their meeting dated August 10, 2021, authorising the Offer for Sale.

11. Consent letters of the Promoter Selling Shareholder dated August 14, 2021 and December 10, 2021, authorising its participation in the Offer for Sale.

12. CEO ESOP 2016, Management ESOP 2016 and Employees ESOP 2016.

13. Copies of the annual reports of our Company for the Financial Years 2021, 2020 and 2019.

14. The examination report dated October 28, 2021 of the Statutory Auditor, on our Restated Financial Information, included in this Prospectus along with the Restated Financial Information.

15. The statement of special tax benefits dated December 8, 2021 from the Statutory Auditors.

16. Employment agreement between our Company and Rajiv Kaul, Executive Vice Chairman, Whole Time Director and CEO of our Company, dated September 16, 2017.

17. Restated and amended employment agreement between our Company and Rajiv Kaul, Executive Vice Chairman, Whole Time Director and CEO of our Company, dated October 14, 2020.

18. Agreement between Vault Co-Investment Vehicle L.P. and Rajiv Kaul dated September 26, 2017.

19. Business Transfer Agreement between our Company, Clover Transactions Systems Private Limited and Sienna Systems Resources Private Limited dated August 2, 2016, as amended by amendment agreements dated September 15, 2016, November 22, 2016 and January 17, 2017.

20. Business Transfer Agreement dated April 4, 2018, between our Company and Checkmate Services Private Limited and thereafter amended pursuant to amendment agreements dated July 30, 2018, August 29, 2018, October 1, 2018 and November 1, 2018.

21. Release letter dated July 11, 2020, between our Company and Logicash Solutions Private Limited.

22. Share purchase agreement dated July 21, 2021, between our Company, Hemabh Solutions, Hemalsinh Gohil, Abhijeet Lamture and Hemabh Solutions Private Limited.

23. Scheme of arrangement between CMS IT Services Private Limited and our Company and their respective shareholders and creditors.

24. Written consent of the Directors, BRLMs, Syndicate Members, legal counsel to the Company as to Indian law, legal counsel to the BRLMs as to Indian law, International legal counsels to the BRLMs, Legal counsel to the Promoter Selling Shareholder as to Indian law, Registrar to the Offer, Escrow Collection Bank(s), Public Offer Bank(s), Refund Bank(s), Sponsor Bank, Bankers to our Company, Company Secretary and Compliance Officer, as referred to in their specific capacities.

25. Written consent of the Statutory Auditors dated December 8, 2021 to include their name as required under Section 26(5) of the Companies Act in this Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act and in respect of the: (i) Restated Financial Information and their examination report dated October 28, 2021 on the Restated Financial Information; and (ii) the statement of possible tax benefits dated December 8, 2021 included in this Prospectus.

26. Reports titled "*Assessment of Cash Management Services Market in India*" dated October 25, 2021 prepared and issued by Frost & Sullivan and "*Tracking Cash Usage in India*" dated April 1, 2021 prepared and issued by RedSeer. The reports could be accessed at and downloaded from www.cms.com/investor-relations.php.

27. Written consent dated December 8, 2021 issued by Frost & Sullivan with respect to the report titled "*Assessment of Cash Management Services Market in India*" dated October 25, 2021 .

28. Written consent dated October 25, 2021 issued by RedSeer with respect to the report titled "*Tracking Cash Usage in India*" dated April 1, 2021.

29. Due diligence certificate dated August 14, 2021, addressed to SEBI from the BRLMs.

30. In principle listing approval dated September 9, 2021 and September 27, 2021 issued by BSE and NSE, respectively.

31. Tripartite agreement dated January 8, 2015 between our Company, NSDL and the Registrar to the Offer.

32. Tripartite agreement dated July 31, 2017 between our Company, CDSL and the Registrar to the Offer.

33. SEBI observation letter bearing reference number SEBI/HO/CFD/DIL2/RG/NKM/OW/P/30707/2021 and dated October 28, 2021.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Prospectus are true and correct.

Signed by the Director of our Company

Shyamala Gopinath

Chairperson and Independent Director

Place: Mumbai

Date: December 24, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Prospectus are true and correct.

Signed by the Director of our Company

Rajiv Kaul

Executive Vice Chairman, Whole Time Director and CEO

Place: Mumbai

Date: December 24, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Prospectus are true and correct.

Signed by the Director of our Company

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Jimmy Lachmandas Mahtani

Non-Executive Director

Place: Singapore

Date: December 24, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Prospectus are true and correct.

Signed by the Director of our Company

Ashish Agrawal

Non-Executive Director

Place: Mumbai

Date: December 24, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Prospectus are true and correct.

Signed by the Director of our Company

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Tapan Ray

Independent Director

Place: Gandhinagar

Date: December 24, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Prospectus are true and correct.

Signed by the Director of our Company

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Krzysztof Wieslaw Jamroz

Non-Executive Director

Place: United States

Date: December 24, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Prospectus are true and correct.

Signed by the Chief Financial Officer of our Company

Pankaj Khandelwal

President and Chief Financial Officer

Place: Mumbai

Date: December 24, 2021

DECLARATION BY SION INVESTMENT HOLDINGS PTE. LIMITED, AS THE PROMOTER SELLING SHAREHOLDER

Sion Investment Holdings Pte. Limited confirms and certifies that all statements and undertakings specifically made or confirmed by it in this Prospectus, about or in relation to itself and the Equity Shares offered by it through the Offer for Sale, are true and correct. Sion Investment Holdings Pte. Limited assumes no responsibility for any other statements, including, any of the statements made or confirmed by or relating to the Company in this Prospectus.

Signed for and on behalf of Sion Investment Holdings Pte Limited

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Authorised Signatory: Giridhar Veera Raghavan

Designation: Director

Place: Singapore

Date: December 24, 2021