

March 31, 2026

Securitrans India Private Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term/ Short-term – Fund-based / Non-fund Based	60.00	60.00	[ICRA]AA+(Stable)/ [ICRA]A1+; reaffirmed
Unallocated Limits	20.00	20.00	[ICRA]AA+(Stable)/ [ICRA]A1+; reaffirmed
Total	80.00	80.00	

*Instrument details are provided in Annexure I

Rationale

The ratings are based on a consolidated view of the rated entity Securitrans India Private Limited (SIPL) with its parent, CMS Info Systems Limited (CMS) because of the close operational, management and financial linkages between them. Both CMS and SIPL operate in the cash management business.

The ratings action factors in CMS' leadership position in the cash management business (accounting for around 60% of revenues) and its diversified service offerings under its managed services segment (upto 40%), thus providing it with a competitive edge. The company also benefits from established relationships with its reputed client base, supporting repeat revenue coupled with pan-India presence and integrated business operations. In FY2025 and 9M FY2026, CMS reported YoY revenue growth of 7.1% and 2.7%, respectively, with growth moderation largely attributable to softer consumption trends, lower automated teller machine (ATM) transactions following the ATM interchange fee hike and temporary dip in outsourced ATMs due to insolvency of an industry peer. Operating margins also saw some moderation owing to cost pressures and higher provisioning requirements. Nonetheless, they continued to remain healthy at 25.9% in FY2025 and 23.9% in 9M FY2026. Moreover, the healthy order book of around Rs. 1,400 crore as on December 31, 2025 supports revenue visibility over the near-to-medium term. ICRA also notes the increase in receivables during H1 FY2026 due to delayed payments from certain Managed Service Providers (MSPs). However, CMS has entered an arrangement with MSPs to secure these dues, and receivable levels are expected to moderate to FY2025 levels by the end of the fiscal. Despite the same, the company's financial profile continues to be strong, characterised by a negative net debt position and strong liquidity position, supported by steady growth of revenue and operational cash flows.

During the fiscal, CMS acquired 100% stake in Securens Systems Private Limited (SSPL), an AIoT-based remote monitoring solutions provider, which is expected to strengthen its technology and payments solutions portfolio. ICRA notes the company's continued focus on inorganic growth over the near-to-medium term, likely to be funded through surplus liquidity with limited reliance on external borrowings. However, any sizeable debt-funded acquisition could materially weaken its financial risk profile and will be assessed on a case-by-case basis.

However, the ratings are constrained by the regulated nature of the business as well as an increase in usage and acceptance of alternative payment methods like net banking, mobile wallets, unified payment interface (UPI), credit cards, etc, though the total currency in circulation and ATM withdrawals have remained stable over the last few years. The ratings also consider the vulnerability of the business to the risk of cash loss in transit due to theft, fraud, armed robbery, losses incurred due to disputed receivables, etc. However, strong internal processes, an adequate receivable provision and comprehensive insurance cover provide comfort.

The Stable outlook on the long-term rating reflects ICRA's opinion that CMS will maintain its strong credit profile and liquidity position, supported by healthy operational cash flows and continued net debt negative status.

Key rating drivers and their description

Credit strengths

Leading player in cash management business — Incorporated in 2008, CMS is the leading player across all verticals of its cash management business. Along with its subsidiary (SIPL), the company manages around 1,50,000 business points as of March 2025 (1,37,000 as of March 2024) and has around 40% plus revenue market share.

Long-term relationships with key clients — The company's clientele comprises reputed and well-established players like State Bank of India, HDFC Bank, Axis Bank, ICICI Bank, Hitachi Payment Services Private Limited, Punjab National Bank etc. Over the years, the company has developed strong relationships with its clients, which aid in incremental business, supporting revenue growth.

Strong financial profile and liquidity position — The company witnessed YoY revenue growth of 7.1% and 2.7% in FY2025 and 9M FY2026, respectively, reflecting growth moderation due to softer consumption trends, the adverse impact of the ATM interchange fee hike on consumer sentiment leading to lower ATM transactions and a temporary dip in outsourced ATM base. Operating margins also moderated to 25.9% in FY2025 and 23.9% 9M FY2026 due to cost pressures and higher expected credit loss (ECL) provisioning requirements. Despite the modest revenue growth and some margin moderation, profitability and operational cash flows remained healthy supporting the company's strong liquidity profile. Its strong financial risk profile is expected to be maintained, aided by steady revenue growth, healthy profitability and a strong capital structure with negative net debt status.

Sizeable order book provides revenue visibility in the near-to-medium term — The company reported a healthy order book of around Rs. 1,400 crore in its managed services segment (as on December 31, 2025), with new and incremental orders of around Rs. 1,250 until 9M FY2026. The orders are relatively long-term contracts as they consist of end-to-end managed solutions over a fixed period of 4-7 years, thus providing revenue visibility over the near-to-medium term. ICRA expects CMS to secure new orders, supported by the expected increase in penetration of ATMs in semi-urban and rural areas and increased outsourcing of ATMs by banks. Also, its software and technology business (under managed services) are likely to witness a steady scale-up, supported by healthy orders for remote monitoring and software implementation.

Credit challenges

Vulnerability to regulatory risks — The cash management services have been regulated by the Reserve Bank of India (RBI) with regular interventions and increase in compliance requirements, leading to a rise in costs for the ATM service provider. Though the industry expects the same to be passed on to the customers, the scale and profitability remain vulnerable to any unforeseen adverse regulatory changes.

Challenges from alternative payment methods — Following demonetisation, the usability and acceptability of alternative digital payment methods like UPI, debit cards, credit cards and mobile wallets, etc, are on the rise, especially in metros and urban areas. The availability of affordable data services and large-scale penetration of smartphones are among the key growth drivers for digital transactions, further supported by various schemes and incentives by the Government. Though the currency in circulation and ATM withdrawal have remained stable over the past few years, increase in alternative payment methods continues to remain a threat and the cash management business may face challenges if there is any significant shift in the use of digital payment methods instead of cash.

Business vulnerable to cash loss risk — Given the large volumes of cash it handles, CMS is exposed to various operational risks/reconciliation gaps arising out of cash loss related to armed robbery, end-customer or third-party fraud, theft or embezzlement by personnel provided by third-party service providers, etc. However, enhanced security requirements as per

the RBI guidelines, strong internal controls and processes, coupled with comprehensive insurance cover, provide comfort. The overall provisions/write-offs related to such risks have remained at 4-6% of the company's revenue, despite which it has continued to report healthy operating margins.

Environmental and social risks

Environmental considerations – CMS is a service provider for various financial institutions; hence it faces limited environmental risks. However, it deploys a large fleet of diesel vehicles through its cash management business, which makes managing its carbon footprint an important consideration, particularly in the context of potential tightening of emission norms or policies favouring cleaner mobility. Nonetheless, the company continuously takes steps to reduce its carbon footprint by decarbonising its vehicles and increasing the usage of CNG vehicles.

Social considerations – Potential reputational risks could arise from the mismanagement or improper use of its vehicles and secured facilities by employees or others. CMS has been an occasional target of pilferage by miscreants seeking to steal its cash or other valuables. However, its track record and reputation for prudent management and security controls provide support that any future episodes are likely to be handled safely and without incurring any reputational damage.

Liquidity position: Strong

The company's liquidity position is strong, aided by healthy cash flow generation, cash and cash equivalents of around Rs. 565 crore (including encumbered balance) with further cushion available in the form of unutilised fund-based working capital limits of Rs. 126.0 crore as on January 31, 2026, which will increase to Rs. 216 crore from March 2026. The capex is expected to be around Rs. 400-420 crore in FY2026 (including acquisitions) and Rs. 200-250 crore in FY2027, which is likely to be funded through operational cash flows and available liquidity. Moreover, the company continues to remain debt free (excluding lease liabilities) that supports its financial flexibility.

Rating sensitivities

Positive factors – A rating upgrade for CMS is less likely in the medium term, given the scale of operations and concentration of its cash management business. However, the long-term rating could be upgraded if the company demonstrates a significant increase in its market share and revenue along with diversity of its business profile, while maintaining its operating margins, debt protection metrics and strong liquidity position

Negative factors – Pressure on CMS' rating could arise if there is any material decline in its revenue and profitability. Any sizeable debt-funded capex/acquisitions or dividend payout that may adversely impact the credit profile and liquidity position could also lead to ratings downgrade. Specific credit metrics that could lead to a downgrade of CMS' ratings include Total Debt/OPBITDA (debt including lease liability) of more than 1.0 times on a sustained basis.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of CMS. As of December 31, 2025, CMS had six wholly-owned subsidiaries, including SIPL and two foundation/trusts, whose details have been enlisted in Annexure II.

About the company

Incorporated in 1998, SIPL provides a range of services such as ATM management, cash in transit, and dedicated cash vans. The company became CMS's subsidiary in June 2011 when CMS acquired a 95% stake in SIPL. Subsequently in 2014, SIPL became a wholly-owned subsidiary of CMS.

CMS, headquartered in Mumbai, is one of India's leading business services platforms focusing on BFSI and retail segments. The company was incorporated in March 2008, by hiving off selected business segments of CMS Computers Limited. CMS was historically engaged in two broad businesses, namely, IT services and print solutions (includes services like financial card management, print and digital solutions, IT infrastructure support, trading of IT equipment, and IT training services), and cash and ATM management. In FY2015, the IT business, along with the print division of CMS were carved out and demerged into a new company, CMS IT Services Private Limited.

After the demerger, CMS has been involved in cash management and managed services. The cash management segment includes ATM cash management, retail cash management and cash in transit. The managed services include banking automation, brown label ATM, managed services, software solutions and remote monitoring technology solutions.

Key financial indicators (audited):

CMS (Consolidated)	FY2024	FY2025	9M FY2026
Operating income	2264.7	2424.5	1854.2
PAT	347.1	372.5	224.3
OPBDIT/OI	26.5%	25.9%	23.5%
PAT/OI	15.3%	15.4%	12.1%
Total outside liabilities/Tangible net worth (times)	0.3	0.4	-
Total debt/OPBDIT (times)	0.3	0.3	-
Interest coverage (times)	37.0	34.4	33.0

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Chronology of rating history for the past 3 years									
	Current (FY2026)				FY2025		FY2024		FY2023	
	Type	Amount rated (Rs. crore)	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Long term/ short term-Fund-Based/ Non-Fund based	Long term/ short term	60.00	Mar 31, 2026	[ICRA]AA+ (Stable)/ [ICRA]A1+	-	-	Jan 25, 2024	[ICRA]AA+ (Stable)/ [ICRA]A1+	-	-
	Long term/ short term		Apr 08, 2025	[ICRA]AA+ (Stable)/ [ICRA]A1+						
Unallocated Limits	Long term/ short term	20.00	Mar 31, 2026	[ICRA]AA+ (Stable)/ [ICRA]A1+	-	-	Jan 25, 2024	[ICRA]AA+ (Stable)/ [ICRA]A1+	-	-
	Long term/ short term		Apr 08, 2025	[ICRA]AA+ (Stable)/ [ICRA]A1+						
Fund-based – Working Capital facility	Long term/ short term	-	-		-	-	-	-	Mar 22, 2023	[ICRA]AA+ (Stable)/ [ICRA]A1+
	Long term/ short term				-	-	-	-	Sep 26, 2022	[ICRA]AA (Positive)/ [ICRA]A1+
Non-Fund based – BG/LC	Long term/ short term	-	-		-	-	-	-	Mar 22, 2023	[ICRA]AA+ (Stable)/ [ICRA]A1+
	Long term/ short term				-	-	-	-	Sep 26, 2022	[ICRA]AA (Positive)/ [ICRA]A1+

Complexity level of the rated instruments

Instrument	Complexity indicator
Long term/ short term- Fund-Based/ Non-Fund based	Simple
Unallocated Limits	NA

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Long term/ short term- Fund-Based/ Non-Fund based	NA	NA	NA	60.00	[ICRA]AA+(Stable)/ [ICRA]A1+
NA	Unallocated Limits	NA	NA	NA	20.00	[ICRA]AA+(Stable)/ [ICRA]A1+

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
<u>Subsidiaries</u>		
Securitrans India Private Limited	100%	Full Consolidation
CMS Securitas Limited	100%	Full Consolidation
CMS Marshall Limited (Subsidiary of CMS Securitas Limited)	100%	Full Consolidation
Quality Logistics Service Private Limited	100%	Full Consolidation
Hemabh Technology Private Limited	100%	Full Consolidation
Securens Systems Private Limited*	100%	Full Consolidation
<u>Foundation/Trusts</u>		
CMS Info Foundation	100%	Full Consolidation
CMS Securitas Employee Welfare Trust ('CMS Trust')	100%	Full Consolidation

Source: Q3 FY2026 results and FY2025 annual report *w.e.f. September 11, 2025

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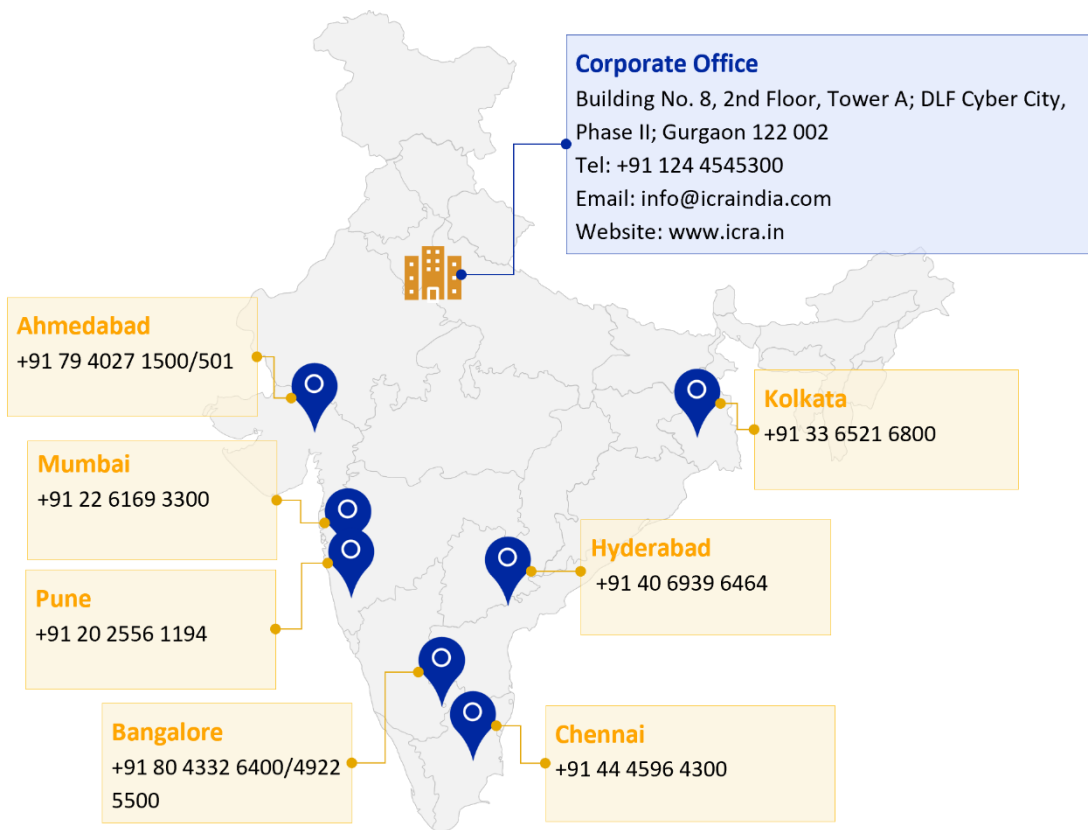
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Branches



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