

Management Discussion and Analysis

INTRODUCTION

The company is the market leader in the Registrar and Transfer Agency business serving the mutual fund industry. The Indian mutual fund industry is a large segment of the financial landscape, offering investors a way to pool their money and invest in a diversified portfolio of assets. The Mutual funds are managed by professional fund managers who invest the pooled money in a variety of assets, such as stocks, bonds, and government securities.

The industry has seen significant growth in recent years, with both assets under management (AUM) and the number of investor accounts increasing substantially. In view of the Digital adoption the industry has made investments easier even across smaller towns. The Tier II and Tier III cities in India have become significant growth hubs for mutual funds. The growing popularity of the mutual fund industry among retail investors is arising from the perception of the retail investors who see it as a way to participate in capital markets and benefit from growth in the capital market. Products like Systematic Investment Plans (SIPs) which enable regular savings in smaller instalments over a longer period of time and technology platforms which have made the process of investment simpler have played a crucial role in driving growth, making mutual funds more accessible and convenient for investors.

The Mutual funds also offer a wide range of investment options, including equity, debt, hybrid, and thematic funds, catering to different risk profiles and investment objectives. The newly launched Specialised Investment Funds ("SIF"), and existing Alternative Investment Funds ("AIFs") also form part of the MF industry. The industry is regulated by the Securities and Exchange Board of India (SEBI), which oversees all aspects of mutual fund operations. The regulation by SEBI relates to all aspects of the mutual fund operations and are focussed on ensuring investor protection and transparency and this has built confidence of the investors on the industry, fuelling its growth.

Registrar and Transfer Agents (RTAs) keep records of investors in a mutual fund and acts as an intermediary

between a mutual fund and its investors. RTAs support the Mutual fund industry end to end in its operations and broadly mirrors the performance of the Mutual Fund industry.

Industry Review

The Company is predominantly acting as the Registrars and Transfer Agents ("RTA's") for the Mutual Fund Industry. The RTAs are regulated by the Securities and Exchange Board of India ("SEBI") which issues the certificate of Registration for eligible entities to operate. RTAs serving more than 2 crore folios are designated as Qualified Registrar and Transfer Agent ("QRTA") by SEBI and enhanced governance mechanism is applicable for those QRTAs.

The industry is dominated by three QRTAs and CAMS is one of the QRTAs operating in the country. CAMS operates in the Mutual fund industry as the RTA with an aggregate mutual fund share of approximately 68% based on Mutual fund AAUM. It has retained its leadership position right from its initial years and has been consistently growing.

The company has also diversified its business offerings beyond QRTA to encompass electronic payments, KYC and NPS registration, insurance repository services, and account aggregation. Details of these activities have been furnished as part of this report.

Developments/ overall scenario during the year

As per the report by the Association of Mutual Funds in India (AMFI), Assets Under Management (AUM) of Indian Mutual Fund Industry as on March 31, 2026 stood at ₹ 73.73 Crore. The AUM of the Indian MF Industry has grown from ₹12.33 trillion as on March 31, 2016 to ₹73.73 trillion as on March 31, 2026 about 6 fold increase in a span of 10 years. The MF Industry's AUM has grown from ₹ 31.43 trillion as on March 31, 2021 to ₹73.73 trillion as on March 31, 2026, about 3 fold increase in a span of 5 years.

The Industry's AUM had crossed the milestone of ₹10 Trillion (₹10 Lakh Crore) for the first time in May 2014 and in a short span of about three years, the AUM size had increased more than two folds and crossed ₹ 20 trillion (₹20 Lakh Crore) for

the first time in August 2017. The AUM size crossed ₹ 30 trillion (₹30 Lakh Crore) for the first time in November 2020. The Industry AUM stood at ₹73.73 Trillion (₹ 73.73 Lakh Crore) as on March 31, 2026.

During the year, the company continued to win new clients. It won five new mandates out of the nine new AMC's who have entered the industry. The company also started servicing Ceybank AMC, first international client during the year onboarded in FY'26 for RTA services.

BUSINESS ENVIRONMENT

CAMS operations, technology, digital enablers, customer service and front offices stretched every sinew to ensure high service delivery for the growing volumes in the mutual fund industry. The growth in the mutual fund industry necessitates enhanced performance of the RTA industry. CAMS retained its leadership position in the growing industry and its share continued to be ~ 68%.

The company continues to invest in cutting-edge technologies and innovative solutions to enhance operational efficiency and deliver superior experiences to clients, investors, and distributors. Its platforms remain instrumental in supporting the growth and transformation of the Indian Mutual Fund industry. It continues brand building through industry marketing campaigns, events, media coverage, and social media engagement. Digital campaigns for new business and products are driving website traffic and generating leads.

SEGMENT WISE PERFORMANCE AND OUTLOOK

MF Operations:

The company retained its market leadership position with about 68% market share. The Total transaction volumes for FY'26 recorded 107 Cr, registering a 20% year on year growth. New SIP registrations reached 4.7 Cr in FY'26, registering a 17% increase over FY'25. SIP gross sales were at ₹.2.2 Lakh Crore in FY'26, contributing 30% share in CAMS equity gross sales. Live SIP has grown by 17% at 6.7 Cr in FY'26 over FY'25. The Equity net sales stood at ₹3.4 Lakh Crore in FY'26, marking a 3% decline over FY'25.

CAMS Insurance Repository Services Limited – (CAMSRep) introduced last year 'Bima Central,' an insurance portfolio management platform aimed at simplifying policy management for customers by aggregating benefits and ensuring claim-readiness. Accessible to those with an electronic Insurance Account (eIA) with CAMSRep, Bima Central emerged from industry collaboration to enhance the value of insurance. The product has been well received by the market. Bima Central added 12.6 lakh unique users (2X active users added as compared to FY25) and grew service volume by 80%, for the full year. Net mobile downloads is now > 1 lakh.

CAMS Payment Services Private Limited. (CAMSPAY) -

The company received the certificate of Registration from the Reserve Bank of India to act as the Payment Aggregator, during the year. Consequent to this, the payment aggregator business has been moved from the holding company to this subsidiary. There was a strong emphasis on understanding customer needs, positioning the right solutions, and maintaining commercial discipline, which contributed positively to overall revenue performance.

CAMS Financial Information Services Private Limited

('CAMS FIS'), has been issued with the Certificate of Registration by the Reserve Bank of India as a Non-Banking Financial Company to function as Account Aggregator. CAMSFIS continues its robust performance in the Account Aggregator in a fast evolving & ultra-competitive landscape with currently 17 operational licensee and more than 1000 participants in the ecosystem. CAMSFinserv exited FY26 with 235 live clients and 140 billed clients.

CAMS Investor Services Private Limited (CAMS KRA'), A

wholly owned subsidiary of the company is the second-largest KYC Registration Agency, is rapidly expanding its reach in the capital market. As of March 31, 2026, CAMS KRA manages a repository of 2.07 Cr KYC records, reflecting a successful transition from mutual fund services toward supporting new-age stockbroking platforms. Following the strategic acquisition of the NSE KRA business which was completed during the year, CAMS KRA has solidified its position as the second-largest KYC Registration Agency in the Indian securities market. The company's application for registration with the International Financial Services Centres Authority (IFSCA) is currently underway. This strategic expansion to establish

a CAMS KRA branch in GIFT City is expected to generate marginal revenue within its first year of operation.

Sterling Software Private Limited, a wholly owned subsidiary of the Company, continues to provide services as a Technology Solution Provider (TSP) service for the Account Aggregator Industry. TSP takes care of implementation of digital signature and encryption, which might be a “self-build” for a large entity but certainly a “buy” decision for medium and smaller ones.

Sterling is the software service provider for the holding company and holds the IP rights for the entire RTA platform. Sterling is successfully executing a complex portfolio of projects, including transformation initiatives, customer-centric projects, automation, compliance and risk management, and infrastructure upgrades. Through enhanced process management, tool adoption, and effective teamwork, it has consistently delivered new features and improvements while maintaining high quality and productivity standards.

Think Analytics India Private Limited, subsidiary of the company Offers Software as a Service (SaaS) based products and data science services to its customers in India and abroad and provides analytical solutions suitable for use with the Account Aggregator framework. The company has been steadily expanding capabilities and installations and has commenced an engagement with one of the large public sector Bank and new product variants are going live with multiple other institutions. The company has developed a platform “ConsenPro” focussed at enterprise clients in BFSI, healthcare, and large enterprises for compliance with the consent management requirements under the Digital Personal Data Protection Act, 2023 (DPDPA). It is planning to expand into adjacent regulatory compliance use-cases beyond Data Protection PDPA.

Fintuple Technologies Private Limited, subsidiary of the company has niche technology offerings in the areas of client digital onboarding, eKYC, fund reports, and other support digital solutions for AIF and PMS and is expanding its footprint as the gateway connecting the digitally savvy consumers to digitally enabled manufacturers and providers, via APIs. The company is partnering with the holding company and also

other subsidiaries on NPS POP product opportunities, and build/revamp the platforms such as WatchTower360 and wealthserve Portal.

MFC Technologies Limited has been incorporated as a Joint venture company and the company holds 50% of the share capital. This company will be offering MFCentral a digital solution aimed at enhancing customer service in the Mutual Fund industry. MFCentral is the preferred platform for investors because of its unique single-window facility to address all investors’ requirement across the entire Mutual Fund landscape in India. The company is in the process of recruiting resources and obtaining regulatory approvals to commence its business.

PRODUCT DEVELOPMENT AND DIGITAL OFFERINGS

As part of its value offerings the Company is developing various digital products/ applications which enable the investors in mutual funds (who are the ultimate customers) to experience efficient and effective methods for investments. The Company continues to focus on its digital strategies with a slew of digital properties made available to the market for digitalizing the investment journey. These digital properties continued to do well, set new milestones and the Company is now successfully engaging clients with white-labelled formats of these utilities so that the clients’ digital teams engage with us more deeply.

myCAMS – The Company’s mobile app for mutual fund investing for individual investors continues to be the largest mobile app in the Mutual Fund arena with over 8.3 million registered users. The app sustains its position among the Top 4 fintech apps in the country.

GoCORP for institutional investors continue to offer differentiated value adding services. The company continues to remain focussed on enrolling more corporates to use GoCORP for their institutional transactions. The AuM as on March 31, 2026, serviced by GoCORP was ₹ 3.32 Trillion which is 15.33% of the total institutional AuM of CAMS serviced funds.

Edge360, the digital platform for distributors and advisors is recording steady adoption and usage. Extensive marketing efforts and webinars helped gain momentum in new registrations. Extensive marketing efforts and webinars helped gain momentum in new registrations, taking the overall registrations to ~1.1 Lakh. The iOS mobile application which was successfully launched last year is complementing the existing digital access channels and enhancing user experience. The platform now enables investing in SIF products and has extended SIF capabilities to additional AMCs strengthening our leadership in advanced investment solutions.

CAMServ chatbot has been completely revamped to deliver a seamless and intuitive digital experience for investors. WhatsApp Bot has also been built for CAMS, empowering investors to initiate transactions and access services directly through WhatsApp

LAMF (Loan Against Mutual Funds) is rapidly establishing its footprint in the digital lending arena, appealing to both financial institutions and end customers. Its success is fuelled by the integration of cutting-edge technology and an intuitive, streamlined interface that facilitates swift loan processing. Crucially, LAMF maintains full transparency and control for both lenders and borrowers, positioning it as a reliable and efficient solution in modern mutual fund-backed financing. Over the past two years, this segment has experienced remarkable growth, with numerous new financiers showing strong interest in adopting the offering. This trend highlights the immense potential for further expansion and innovation in the space. FY'26 observed a record of 330,225 lien-marking transactions, a 107% increase over FY'25's 159,585 transactions. Loan Under Management grew by 77% to ₹ 19,967 Crore in FY'26, up from ₹ 11,277 Crore in FY'25

CAMS WealthServ, the digital onboarding platform for AIF and PMS investors, has been very well received by the Alternatives Industry. CAMS continues to augment the product features and partnerships with custodians, which will significantly strengthen the market position for the product. There has been a strong traction in the sign-ups for WealthServ and the so far 200+ sign-ups have been completed.

eKYC utility is being extensively used. Digilocker has been integrated as an additional option to the eKYC solution. An industry first initiative for online updating of contact details and address in KYCs enabling KYC in 10 minutes has been implemented. This is a unique industry-first innovation. Online KYC Modification (Re-KYC) facility for All KRA PANs has also been introduced. This facility allows investors to modify all their KYC details with mandatory DigiLocker validation. eKYC: SUBKUA build is go-live ready & received UIDAI approval. Average daily volumes are between 2500-3000 authentications a day

digInvest/ digiNFO which enables transactions via SMS link continues to see increased usage among intermediaries. NFO investments and Switch transaction links that can be generated directly by distributors and AMCs have been enabled.

Central Record Keeping Agency (CRA)

The Company's operations as a Central Recordkeeping Agency ("CRA") were launched in the month of March 2022. Our endeavour to provide the best possible services to our Subscribers and other intermediaries is re-emphasized with the release of various new features. CAMS CRA now has more than 2,10,000 subscribers. CAMS CRA registered a Y-o-Y growth of 17% in terms of new subscriber onboarding. The Customer Satisfaction (CSAT) score remained consistently above 90%

OPPORTUNITIES AND THREATS

OPPORTUNITIES

The Company's Brand salience and superior technology aligned with client business model continues to make CAMS the service partner of choice for the clients. The company has been able to retain its share in the RTA industry at the same levels as in the previous year. There has been significant wins made by the company of both of new AMCs and migration of the existing AMC from the competition during the financial year and this indicate the large potential the company has in the RTA industry. CAMS continues to lead the market in Alternative Investment Funds (AIF) and Portfolio Management Services (PMS), currently serving over 230 fund houses across 550+ schemes, with an AUM exceeding ₹3.10 Lakh Cr. The company made significant inroads with multinational

corporations, with global leaders selecting CAMS as their service partner. The company's digital initiatives are gaining strong momentum. CAMS WealthServ has seen robust adoption, with 265+ signups to date. CAMS' operations in GIFT City continue to gain momentum, with **40+ funds** now outsourcing services to our GIFT City center. We have successfully expanded beyond Alternative Investment Funds (AIF) and are now offering fund administration services for retail schemes, further strengthening our presence and capabilities in this strategic location.

The Account Aggregator (AA) ecosystem is ushering in a new paradigm of data empowerment that transcends individual sectors. It is reshaping financial services by democratizing access, enabling all citizens to securely share their financial data and participate in the formal economy. This data-driven empowerment is fuelling the growth of financial services and is also setting the foundation for new industries, use cases, and opportunities beyond finance. The AA framework is poised to become a global model for how digital public infrastructure can drive financial inclusion, efficiency, and innovation. CAMS through its wholly owned subsidiary has emerged as an early mover. At the end of the year, the company had 235 live clients and 140 billed clients.

The Company now functions as the Central Record Keeping Agency for the National Pension System. It launched its cloud-based Central Record-Keeping Agency under NPS to extend the service to subscribers and the overall ecosystem. The company continues to engage with the intermediaries on a regular basis to support a strong ecosystem comprising of multiple intermediaries - PoPs, Pension Fund Managers and Annuity Service Providers. The company also remains committed to eNPS and its customer journeys, which offer an alternative channel for B2C business. The corporate client base is expanding, and ties with PoPs is being strengthened through system enhancements, agent network support, and joint marketing initiatives.

The increased focus on the KYC requirements, mandatory issue of the policies in electronic form and the country's largest insurer joining the Repository system will significantly enhance the business opportunities for the insurance repository business.

These are considered as significant opportunities and the Company's domain expertise acquired over three decades of being the industry partner, established processes, technology-driven infrastructure, and marquee clients, will enable the Company to capitalize on the growth in these new businesses.

THREATS

The threats faced by the company has been listed as part of the Analysis. However, the Company has a documented policy for managing the risks/ threats likely to be faced by it.

- The computer resources of the company have been declared as a critical Information Infrastructure by the Ministry of Electronics and Information Technology which indicates the importance of the information infrastructure of the company. With the growing prominence of technology in all our activities, cyber security is of paramount importance to us.
- The emerging Data Protection Laws in the country will also pose significant challenges in the way data is managed, and consent is taken from the data owners. The company may need to have increased focus on the data in its possession and may be required to enhance the spending towards data protection.
- The Company's revenue is highly concentrated on the Mutual Fund industry and its few clients. Competition and the regulatory restrictions may drive down total expense ratios, which in turn could drive down the fees that are paid by the clients to the Company.
- The Company is taking all steps to ensure that we follow all applicable laws and regulations applicable to the Company. Any failure in detecting errors in our statutory records or errors or omissions in our business operations could expose us to potential losses.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has an adequate internal controls system, commensurate with the size and nature of its business. The system is supported by documented policies, guidelines, and procedures to monitor business and operational

performance which are aimed at ensuring business integrity and promoting operational efficiency. All the records are adequately maintained for the preparation of financial statements and other financial information. Apart from internal controls, the Company also audits the efficiency and security of its operations, its information technologies, and data, in accordance with the global standards.

The Company conducts periodic internal audits in line with an audit plan that is drawn at the beginning of the year, which is approved by the Audit Committee. The scope of the exercise includes ensuring adequacy of internal control systems, adherence to management policies and compliance with the laws and regulations of the country.

Internal audit reports are placed before the Audit Committee of the Board of Directors, which reviews the adequacy and effectiveness of the internal control systems and suggests improvements for strengthening them.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

This discussion on Financial Analysis is for consolidated financials of the Company during FY 2025-26. The Company is a technology-driven financial infrastructure and service provider to mutual funds and other financial institutions.

KEY FINANCIAL RATIOS

Details of significant changes (i.e., change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, have been provided as part of the Notes to the Standalone Financials Accounts (Note No. 38). Additional Ratios are provided below:

Ratio	FY 2025-26	FY 2024-25
Debtors Turnover (No of days)	13	25
Current Ratio	5.27	5.23
Operating Profit Margin (%)	38.59%	40.39%
Net Profit Margin (%)	30.37%	31.87%
Return on Net Worth	39.0%	46.25%

OPERATIONAL EXCELLENCE

During the year, CAMS continued to be the leader in delivering quality service in the MF industry for all modes of transactions like Physical, Electronic & Digital. To have continuous improvement, CAMS has made significant efforts in maintaining overall quality performance and accuracy levels.

RISKS AND CONCERNS

The Company recognizes that risk is inherent in any business activity and that managing risk effectively is critical to the immediate and future success of the Company. The Company has a Board level Risk Management Committee in addition to an internal Risk Management Committee, which monitors the risk-related matters of the Company. A Board approved Risk Management Policy defines the Risk Management framework to identify, assess and manage potential risks and opportunities. This policy provides detailed key tasks to identify, assess, manage, monitor, and report key risk areas across the group. The company has also in place a Chief Risk Officer. The identified risks of the Company are as below:

Operational Risk

The Company faces risks in its operations for any error or omission that could lead to significant monetary and reputational losses. The Company has identified the key areas where such risks could exist and taken proactive steps for carrying out process automation and tighter adherence to the established processes.

Risks relating to failure of Business Continuity Plan ("BCP")

In view of the nature of its operations, the Company is required to ensure a Business Continuity Plan, which will enable it to provide services on a continued basis even under unforeseen events. The company carries out periodical BCP drills using the infrastructure of the BCP location. However, there can be a risk of any failure in the BCP in any foreseen situation in the future.

Regulatory & Compliance Risk

The Company is regulated by various regulators and is subjected to periodical audits. The Company is also required to comply with a host of regulations as part of its compliance activities. Non-compliance with any regulations could result in observations from the regulator and can lead to warnings and penalties. For ensuring the compliances, the company

has extensive management process and a process for identification of outliers on real-time basis for the known observation primarily, which are getting remediated on an immediate basis. The Company also has an extensive system for monitoring compliances with individual functional heads tasked with specific areas. However, this do not provide assurance that there would be no regulatory action.

Technology Risk

Inability to meet the demands of the Clients or adapt to the latest technological changes might affect the Company's business, as our success depends upon the development of technology platforms and applications to conduct our business. In this regard, steps are being initiated to ensure the adoption of the latest technology and to meet the requirements of the clients.

Information Security Risk

As the Company handles large amounts of data, the Information Security risk is one of the identified risks. The Company has an extensive Information Security Management System ("ISMS") which is headed by a Chief Information Security Officer and has a well-established ISMS policy. The Company's systems are being periodically audited by external agencies. Bit Sight, an agency which monitors the level of the information security has rated the Company very high at a score. This is a market-leading score and vindicates the robust security posture. However, there is always a possibility of cyber risk.

People Risk

Dependence on Key Managerial Personnel and Senior Management is considered as a risk and the loss of any key person and or inability to attract new talents, reliance on third party service providers in several areas of operations and our inability to have full control over their services would affect the Company's business. Towards mitigating these risks, all the managerial positions have been filled and retention of KMP through ESOPs and Incentive Programs has been initiated and action to create future Leaders through training, skill certification and workshops have been initiated.

Revenue Concentration

A significant part of the revenue is concentrated from MF Business. Within MF the revenue is concentrated within a group of top clients. Towards this risk, the Company is focusing

on enhancing the non-MF revenue. The Company perceives high growth opportunities in Insurance Repository, CAMSPay (payment aggregator business), and services to AIF clients. In addition, the Company has also been appointed as CRA (Central Recordkeeping Agency) for Pension Funds and added Account Aggregator business to broaden the revenue generation sources. Leveraging competencies acquired through Mutual Fund services business, the Company has launched products like Recon Dynamix, Loan against Mutual Funds (LAMF), etc. Irrespective of this additional business, the Mutual Fund services business is likely to remain the dominant business in the near to medium period.

Contractual Risk

The Company has entered into contractual agreements with various clients, which may contain clauses which might adversely affect our business, on the occurrence of certain events like employee fraud or misconduct or errors and omissions in the operations. The Company has extensive insurance coverage for addressing such liabilities. However, the insurance cover may not be adequate to fully compensate for the loss.

HUMAN RESOURCES

Employee attraction, development and retention are key priorities of CAMS. We believe engaged employees contribute to a higher level of engagement with clients and investors resulting in profitability and growth. Hence making CAMS a great place to work is always our endeavour. Our People strategy has been to develop a culture of learning & growth, building leadership capability to manage growth and to bring out the best in our employees through creating an environment of agility and transformation. We have created several talent pools through academia collaboration to meet our specialized skill requirements. The Company has a robust training and development framework to enable certification in the MF Domain. Fostering innovation and automation through differentiated and high impact recognition programs has been a hall mark of our people excellence practices. Our risk awareness and mitigation programs had heightened our compliance posture. Various communities have been formed which engage employees through various activities which has helped maintain a participative work environment.

The deep domain knowledge of employees has helped us establish our business leadership and market share. Our

employees collaborate with precision and synchronization to enable CAMS to be a market influencer for competitive advantage and to keep in tune with the demands of the market. CAMS invests in building a diverse and inclusive environment for our employees. These employees enable the Company to reach out to investors in Mutual Funds across the country. The Company's career development initiatives range from up-skilling using structured in-house programs, specialist certifications to sponsorship of courses at premium management institutions. We assist our employees in creating their individual development plans and facilitate growth through job rotations, internal hiring, and promotions.

We continue to uphold high standards of governance with respect to all statutory compliance and regulatory

requirements. We have several avenues for our employees to voice their opinion in a safe and conducive environment. Managers engage in meaningful dialogues and coach employees to enhance their performance.

SAFE AND HEALTHY ENVIRONMENT

The operations of the Company do not involve any manufacturing. The Company strives to maintain the highest safety standards; periodic fire drills are carried out at various premises. First aid training is given to a group of employees to handle any eventuality. Feedback from employees is regularly obtained on various health and safety considerations. The offices with a significant number of employees have either an in-house medical centre or tie-up with leading hospitals to provide treatment in case of medical exigencies.