

INDEPENDENT AUDITOR'S REPORT

To

The Members of Manipal Payment and Identity Solutions Limited
(formerly known as MCT Cards & Technology Private Limited and MCT Cards & Technology Limited)

Report on the Audit of the Consolidated Financial Statements**Opinion**

We have audited the Consolidated Financial Statements of Manipal Payment and Identity Solutions Limited (formerly known as MCT Cards & Technology Limited and MCT Cards & Technology Private Limited) ("the Company") and its subsidiary (together with the Company referred to as the "Group"), which comprise of Consolidated Balance Sheet as at March 31, 2025, Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows for the year ended on that date, and notes to the Consolidated Financial Statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditor on separate financial statement of subsidiary, as was audited by the other auditor the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at March 31, 2025, and its Consolidated Profit and other comprehensive income, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those SA's are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of report of the other auditor referred to in "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Information other than Consolidated Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in annual report, but does not include the Consolidated Financial Statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.



No. 361, I Floor, 7th Cross,
I Block Jayanagar, Bangalore - 560 011.
Ph: +91 80 26569500
Telefax: +91 80 26569501
Email: contact@manian-rao.com

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (INDAS) specified under section 133 of the Act.

The respective management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Management and Board of Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the Company's financial reporting process of each company

Auditor's Responsibility for Audit of Consolidated Financial Statements

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



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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Directors use of the going concern basis of accounting in the preparation and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of subsidiary to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the company included in the Consolidated Financial Statements of which we are the independent auditors. For the subsidiary included in the Consolidated Financial Statements, which have been audited by other auditor, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in section titled "Other Matters" in this audit report.

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

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



Other Matters:

The Consolidated Financial Statements include the financial statements of Manipal Payment & Identity Solutions Nigeria Limited (the "Subsidiary"), which reflect the Company's share of total assets amounting to Rs. 10.95 million (before consolidation adjustments) as at March 31, 2025, a net loss after tax of Rs. (0.49) million, and a total comprehensive income of Rs. (0.62) million for the period ended March 31, 2025 (both before consolidation adjustments), as considered in the Consolidated Financial Statements. These financial statements have been audited by Other Auditor whose audit report has been provided to us by the Company's management.

The Subsidiary is located outside India, and its financial statements and related financial information have been prepared in accordance with the accounting principles generally accepted in its country of incorporation and audited in accordance with the auditing standards applicable there. The group's management has converted these financial statements from the local accounting principles to accounting principles generally accepted in India (Ind AS), and translated them into Indian Rupees (INR). For the purpose of the audit of the Consolidated Financial Statements for the year ended March 31, 2025, we have also audited both the conversion and the translation adjustments made by the management. Accordingly, our opinion, to the extent it relates to the financial information of the foreign subsidiary, is based on the report of the Other Auditor and the conversion and translation adjustments audited by us.

Our opinion above on the Consolidated Financial Statements, and our report on other legal and Regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on the separate financial statements of the subsidiary referred to in the other matters paragraph we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of other auditor, except for the matters stated in the paragraph 1(i) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and the consolidated statement of changes in equity dealt with by this report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the Consolidated Financial Statements
 - d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act.



- e. On the basis of the written representations received from the directors of the company as on 31st March, 2025 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director of the company in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements.
- g. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 1(b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);
- h. With respect to the other matters to be included in the Auditor's Report pursuant to the requirements of section 197(16) of the Act, as amended, and based on the representations received from the management and our verification of the relevant records, we report that the Company has not paid any remuneration to its directors during the year.
- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the subsidiary as noted in the 'Other matter' paragraph:
 - i) The Consolidated Financial Statements disclose the impact of pending litigations as at 31 March 2025 on the consolidated financial position of the Group. Refer note 45 of the Consolidated Financial Statements.
 - ii) The Group did not have any long-term contracts including derivative contracts as on March 31, 2025.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv)
 - (a) The respective Management of the company and its subsidiary have represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company and the subsidiary to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or the subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



- (b) The respective Management of the Company and its subsidiary has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company and the subsidiary from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company and/or subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) As per the information and explanation provided by the Company, the Company has not declared or paid any dividend during the year.
- vi) Based on our examination, which included test checks, except for the instances mentioned below and as described in Note 60(n), the Company has used accounting software for maintaining its books of accounts. The software includes a feature for recording an audit trail (edit log), which was enabled and operated throughout the year for all relevant transactions recorded in the respective software.
- a. The audit trail (edit log) feature was not enabled for direct changes made at the database table level in the accounting software used for maintaining books of accounts. However, the Company has enabled this feature with effect from March 2025.
- b. In the case of in-house developed applications, MIS, and Data Centre systems used for production and dispatch management at the production facility, the audit trail feature has not been enabled at the transaction level and for privileged access.
- c. In the case of payroll software, for the reasons described in Note 60(n), the company has not maintained audit trail (edit log) at the database level.

Furthermore, wherever the audit trail (edit log) facility was enabled and operated, we did not come across any instance of the feature being tampered with during the course of our audit in respect of the accounting software. The Company has also preserved the audit trails of prior years, in line with the statutory requirements for record retention, to the extent that such trails were enabled and recorded in the respective years.

For Manian and Rao
Chartered Accountants
FRN: 0019835

Paresh Daga
Partner
Membership No: 211468
Place: Bengaluru
Date: August 13, 2025



UDIN: 25211468BMLABK1904

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Manipal Payment and Identity Solutions Limited (formerly known as MCT Cards & Technology Private Limited and MCT Cards & Technology Limited) for the year ended 31 March 2025

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

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of Manipal Payment and Identity Solutions Limited (formerly known as MCT Cards & Technology Limited and MCT Cards & Technology Private Limited) ("the Company") as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Company as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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



No. 361, I Floor, 7th Cross,
I Block Jayanagar, Bangalore - 560 011.
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Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A Company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to Consolidated Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Manian and Rao
Chartered Accountants
FRN: 001983S

Paresh Daga
Partner
Membership No:211468



Place: Bengaluru
Date: August 13, 2025

UDIN: 25211468 BMLABK1904