

INDEPENDENT AUDITOR'S REPORT

To

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

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

We have audited the financial statements of Manipal Payment and Identity Solutions Limited (formerly known as MCT Cards & Technology Private Limited, MCT Cards & Technology Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2024, Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity, Statement of Cash Flows for the year ended on that date, and notes to the Financial Statements including a Summary of the Material Accounting Policies and Other Explanatory Information (herein after referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us the aforesaid Standalone 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 state of affairs of the Company as at March 31, 2024, and profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone 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 Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

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

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in Board's Report including Annexure to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, 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. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a



true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for Audit of Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 standalone 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 Standalone 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 standalone 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability 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 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

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

- a) The standalone financial statements of the Company for the year ended March 31, 2023 were audited by another auditor M/s Gurudas Shenoy H, Chartered Accountants who expressed an unmodified opinion vide their report dated 5th September, 2023.
- b) During the financial year 2023-24, the Company acquired the VDP Division Business from its Holding Company which qualifies as a common control business combination as per appendix C of IND AS 103 "Business Combination". The Comparative Financial Statement have been restated as if the acquisition occurred at the beginning of the preceding period i.e. April 1, 2022. The Special Purpose Carve Out Financial Statements of such division as of and for the year ending March 31, 2023 were audited by M/s Sriramulu Naidu & Co, Chartered Accountants vide their report dated 5th September, 2024. The comparative figures for the financial year 2022-23 have been restated considering the Special Purpose Carve-Out Financial Statement of the VDP Division as referred above.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, based on our audit, we report, to the extent applicable 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.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(h) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account.



- d. In our opinion, the aforesaid standalone 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 as on 31st March, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to Standalone 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 Company's internal financial controls with reference to Standalone Financial Statements.
- g. The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(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 in accordance with the requirements of section 197(16) of the Act, as amended, according to the explanations given to us and to the best of our information, 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:
 - i) The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in the financial statements - refer note 43 of the standalone financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts as on March 31, 2024.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv)
 - (a) The Management has 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 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 ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management 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 from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company 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) The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of the dividend.
- vi) Based on our examination which included test checks, except for the instances mentioned below, the Company have used accounting software for maintaining its books of accounts which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.
- a. The feature of recording audit trail (edit log) facility was not enabled for direct changes at database level for accounting software used for maintaining books of accounts.
- b. In the case of in-house developed applications MIS and Data Centre, used for production and dispatch management at the production facility, the feature for audit trails has not been enabled at transaction level and for privileged access.
- c. For payroll application, the audit trail feature is not enabled for master data changes, direct database changes and privileged user access for the period of the review.

Further, where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with.

For Manian and Rao
Chartered Accountants
FRN: 001983S



Paresh Daga
Partner
Membership No: 211468



Place: Bangalore
Date: 5th September, 2024
UDIN: 24211468BKFXWU2693

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Manipal Payment and Identity Solutions Limited (formerly known as MCT Cards & Technology Private Limited, MCT Cards & Technology Limited) for the year ended 31 March 2024

(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 Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of Manipal Payment and Identity Solutions Limited (formerly known as MCT Cards & Technology Private Limited, MCT Cards & Technology Limited) ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on 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 standalone 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 Standalone 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 standalone 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 Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone 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 standalone financial statements.



Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A Company's internal financial control with reference to Standalone 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 Standalone 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 standalone 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 standalone financial statements.

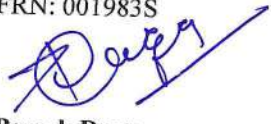
Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone 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 Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone 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 Standalone Financial Statements and such internal financial controls were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to Standalone 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 & Rao,
Chartered Accountants
FRN: 001983S



Paresh Daga
Partner
Membership No. 211468
Place: Bangalore
Date: 5th September, 2024
UDIN: 24211468BKFXWU2693



Annexure B to the Independent Auditor's Report on the Standalone Financial Statements of Manipal Payment and Identity Solutions Limited (formerly known as MCT Cards & Technology Private Limited, MCT Cards & Technology Limited) for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements section of our report of even date)

- i)
 - a.
 - A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - B. The Company has maintained proper records showing full particulars of intangible assets.
 - b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the Size of the Company and the nature of its assets, no material discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases Agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
 - d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

- ii)
 - a. The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for inward goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
 - b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.



- iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year the company has not made investments in, provided any security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. However, the Company has stood guarantee to the borrowings made by Ultimate holding company and have also given loan to other company in the prior period which is outstanding as on March 31,2024. Details for which is as follows.

a.

Particulars	(Rs. In Millions)	
	Guarantees	Loans
Aggregate amount granted/provided during the year		
Ultimate Holding Company	5550.00	-
Balance outstanding as at balance sheet date		
Ultimate Holding Company	5550.00	-
Others	-	1001.14

- b. According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not made any investments or provided any loans / advances in the nature of loans or security during the year.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest are on demand. As informed to us, the Company has not demanded repayment of the loan during the year. Thus, there has been no default on the part of the party to whom the money has been lent. Therefore, commenting on the regularity on the repayment does not arise. Further, the Company has not given any advances in the nature of loans to any party during the year
- d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
- e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to same parties.
- f. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has granted loans repayable on demand. The details are as follows.

Particulars	(Rs. In Millions)	
	All Parties	Promoters and Related parties
Aggregate amount of loans/ advances nature of loans -Repayable in on demand	1001.14	Nil



Percentage of loans/ advances in nature of loans to the total loans	100%	Nil
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- iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.
- v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year.
- vi) As per Information and explanations given to us the Central Government has not prescribed maintenance of cost records under Section 148(1) of the Companies Act 2013, for the Company. Therefore, the reporting under paragraph 3(vi) of the Order does not arise.
- vii)
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Good and Service Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, applicable to it, with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on the date of Balance Sheet for a period of more than six months from the date they became payable.
 - According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of dispute are as follows

Name of the statute	Nature of the dues	Gross Demand (Rs. in Millions)	Paid under protest (Rs. in Millions)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Duty of excise	1,034.34	38.79	2011- 2015	Pending before Excise & Customs Tribunal (CESTAT), Bangalore
		274.49	18.72	2016 - 2017	Pending before Excise & Customs Tribunal (CESTAT), Bangalore
		29.30	1.10	2010 - 2014	Pending before Excise & Customs Tribunal (CESTAT), Bangalore
		1.96	0.33	2014-2015	Pending before Excise & Customs Tribunal (CESTAT), Bangalore
		8.55	1.42	2015-2017	Pending before Excise & Customs Tribunal (CESTAT), Bangalore
KVAT Act 2003 and CST ACT 1956	VAT and CST	3.52	1.06	2015-2016	Pending before KVAT Tribunal at Bangalore
		0.94	0.94	2012-2013	Pending before KVAT Tribunal at Bangalore



Customs Act, 1962	Duty of customs	49.02	2.04	2016-2017	Pending before Excise & Customs Tribunal (CESTAT), Bangalore
Goods and Service Tax Act, 2017	CGST and SGST	0.32	-	2018-2019	Order passed by Superintendent of Central Tax, Belapur, Navi Mumbai and an appeal to be filed before Additional/Joint Commissioner (Appeals), Raigad division, Belapur, Navi Mumbai before end of June 2024.

viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix)

- a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or in the payment of interest thereon to any lender.
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- c. In our opinion and according to the information and explanations given to us by the management, no term loans were obtained during the year.
- d. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that that the Company has not utilized the funds raised on short-term basis towards long term purposes.
- e. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company does not have any subsidiaries, associates or joint ventures as defined under the Act. Accordingly, reporting under clause 3 ix (e) of the order is not applicable.
- f. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company does not have any subsidiaries, associates or joint ventures as defined under the Act. Accordingly, reporting under clause 3 ix (f) of the order is not applicable

x)

- a. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.



- b. The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment of 2000 Optionally convertible debentures during the year. The details as given below:

Nature of securities	Purpose	Total Amount Raised	Amount Utilised for purpose	Unutilised Balance	Details of Utilization
Optionally convertible Debentures	Acquisition of the Primacy Industries Private Limited ("PIPL") CCDs and the PIPL Equity Shares, working capital purposes, on-lending to members of the Group or other parties and/or for repayment of the Financial Indebtedness of the Company.	Rs.2000 Million	-	Rs. 2000 Million	It is informed to us that, as the debentures were raised by the company on 29 th March, 2024 the amount were not utilised for the purpose it was raised as at the year end. The same has been utilised subsequently.

xi)

- a. Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during year.
- b. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. According to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv)

- a. Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.



- b. We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- xvi)
- a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
 - b. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
 - c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
 - d. According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company as part of its group. Accordingly, the provisions stated under clause 3(xvi)(d) of the order are not applicable to the Company.
- xvii) The Company has not incurred cash losses in the current financial year and immediately preceding financial year respectively.
- xviii) There has been resignation of the statutory auditors during the year, there were no issues, objections or concerns raised by the outgoing auditors.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



xx) According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund specified in schedule VII of the Act or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII to the Act. Accordingly, reporting under Clause 3(xx)(a) and Clause 3(xx)(b) of the Order is not applicable to the Company.

For Manian and Rao
Chartered Accountants
FRN: 001983S



Paresh Daga
Partner
Membership No: 211468



Place: Bangalore
Date: 5th September, 2024
UDIN: 24211468BKFXWU2693