IPO NOTE

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MPISL is a leading payment and identity solutions provider with a strong franchise across 300+ customers, including major PSU/private banks such as SBI, HDFC Bank, ICICI Bank, Axis Bank and Kotak Mahindra Bank, with 72.7% of FY26 revenue coming from customers with over five years of relationship. Its diversified portfolio spans payment cards, metal cards, identity solutions, secure printing, RFID and IoT, with cards contributing **57.3% of FY26 revenue**. Strong network certifications, security-compliant facilities and long-standing customer relationships create meaningful entry barriers, while its **36.4% credit-card and 30.9% debit-card market share** reinforces its leadership position..

MANIPAL PAYMENT AND IDENTITY SOLUTIONS LTD.

Mahesh M. Ojha || Vice President Research & Business Development ||

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ONE Page Summary

MANIPAL PAYMENT AND IDENTITY SOLUTIONS LTD.

IPO Details

Issue Opens	Wednesday, 9th Sep 2026
Issue Close	Friday 11th Sep 2026
Total Size	₹ 805 Cr
Price Band	₹ 322 – 339
Face Value	₹ 2/- Per Eq. Shares
Implied Market cap at Lower Band	₹ 7480 Crs.
Implied Market cap at Upper Band	₹ 7,858.1 Crs

Recommendation:

"Subscribe,,

Company Background

MANIPAL PAYMENT AND IDENTITY SOLUTIONS LIMITED provide payments solutions, identifications solutions, secure solutions, and smart tagging and internet of things **("IOT")** solutions to banks, fintechs, non-banking finance companies and governments, across domestic and international jurisdictions. **Incorporated on February 19, 2008**, Company is part of The Manipal Group. The Manipal Group commenced operations in 1948 as a printing company, under the name of Express Printers Private Limited, catering to the secured printing requirements of banks in India and has since added products and services catering to customer requirements across various industries. Their payment solutions primarily comprise payment cards, cheque solutions, near-field communication **("NFC")/**quickresponse **("QR")** codes, payment-enabled wearables, and digital automation solutions. Their identification solutions primarily comprise driving licenses, registration certificates, national identity cards, among others, along with transit management solutions. Their secure solutions primarily comprise secure logistics, personalization of insurance policies, premium notices, renewal letters and marketing collaterals, along with security-enhanced packaging such as tamper-evident envelopes, holograms and coated products. Their smart tagging and IOT solutions primarily entail printing of excise labels with holograms and encrypted QR codes for various state excise departments, IOT and track and trace solutions with radio-frequency identification **("RFID")** tags, and anti-counterfeiting solutions. Company had an estimated market share of approximately 36.4% in the credit card issuance market and 30.9% in the debit card issuance market in India for Fiscal 2026, having billed 13.54 million credit cards and 72.66 million debit cards during Fiscal 2026. They were among the largest manufacturers of payment cards, both globally and in India in Fiscal 2026. They pioneered the manufacturing of National Common Mobility Cards in 2024 in partnership with Airtel Payments Bank and also launched India's first recyclable polyvinyl chloride **("rPVC")** Rupay card in 2024. Further, as of March 31, 2026, they are one of the leading metal card manufacturers in India holding a patent for metal cards manufacturing. As of March 31, 2026, they supply metal cards to the top four credit cards issuers in India. They were one of the largest manufacturers of dual interface **("DI")** cards in India in Fiscal 2026. (Source: F&S Report).

Investment Rationale & Recommendation

MPISL has established a strong franchise across leading banks, fintechs and NBFCs, including SBI, HDFC Bank, ICICI Bank, Axis Bank and Kotak Mahindra Bank, supported by stringent payment-network certifications and high switching costs. Its presence across central and state government projects, including driving licence and registration certificate issuance in Maharashtra and Chhattisgarh, provides further revenue diversification and visibility. With **36.4% share of credit-card and 30.9% share of debit-card issuance in FY26**, the Company enjoys a strong competitive position and meaningful entry barriers. Growth is increasingly driven by **premiumisation**, with metal cards, exports and higher-value identity solutions offering better realisations. Gross margin expanded from **52.3% in FY24 to 65.5% in FY26**, while EBITDA margin improved to **32.1%**, supported by lower material costs and favourable product mix. The balance sheet has also strengthened significantly, with borrowings declining from **₹449.5 crore to ₹0.4 crore** over the same period.

At the **upper price band of ₹339/share**, MPISL is valued at **30.7x FY26 post-issue P/E**, implying a **17.7–20.5% premium to Seshaasai Technologies.** While the premium is supported by superior margins, market leadership, strong customer relationships and a virtually debt-free balance sheet,
Hence, we recommend investors Subscribe to the issue from a long-term perspective,

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Manipal Payment and Identity Solutions

Kantilal Chhaganlal Since 1954

Anchor Bid on : Tuesday,8Th Sep , 2026
Issue Opens on : Wednesday, 9th Sep'2026
Issue closes on : Friday, 11th Sep'2026

Fresh Issue of Up to 94,39,528 equity shares amounting to Rs. 320.00/- crs. @ upper price band. & Offer for sale of Up to 1,43,06,785 equity shares amounting to Rs. 485.00/- crs. @ upper price band.
Total Issue size Rs. 805- Crs. @ Upper Price Band.

Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	15-09-2026
Refunds/Unblocking ASBA Fund	16-09-2026
Credit of equity shares to DP A/c	16-09-2026
Trading commences	17-09-2026

Issue - Break up

Category	No. of Shares		₹ In Cr	
	@Upper	@Lower	@Lower	@ Upper
QIB(75%)	18,184,000	17,810,000	585.52	603.76
NIB(15%)	3637000	3562000	117.11	120.75
NIB2	1212000	1187000	39.03	40.24
NB1	2424000	2375000	78.05	80.51
RET(10%)	2424000	2375000	78.05	80.51
Total	24,245,000	23,747,000	780.69	805.02

NIB -2 = NII Bid Above ₹ 10 Lakhs ||\ NIB – 1 + NII Bid Between ₹ 2 tio 10 Lakhs

Issue Details

DETAILED NOTE

Issue Size - ₹ 805 Crs
Face Value - ₹ 2 /-
Price Band - ₹ 322– 339
Bid Lot - 44 Eq. Shares and in multiples thereafter
Post Issue Implied Mkt. Cap - ₹ 7480 to ₹ 7,858.1 Crs.

Shareholding (No. of Shares)

Pre-issue	Post-issue
22,23,65,000	23,18,04,528

BRLM's - Motilal Oswal Investment Advisors Limited, Axis Capital Limited, ICICI Securities Limited, IIFL Capital Services Limited, Nuvama Wealth Management Limited

Registrar – MUFG Intime India Private Limited

Shareholding (%)

Shareholder	Pre Issue	Post Issue
Promoters	62.1%	53.92%
Public & Others	37.90%	46.08%
Total	100.00%	100.00%

Category	Retail Category	Small HNI 2 -10 Lakhs	Big HNI > ₹ 10 Lakhs
Min. Bid Lot	44 Shares	616 Shares	2,992 Shares
Min. Bid	₹14,916^	₹ 2,08,824^	₹10,14,288^
Appl for 1x	53,969 Applications	1927 Applications	3855 Applications

Issue highlights

IPO Funds Utilization : Funding capital expenditure of Rs. 238 crores towards purchase and installation of new and second-hand equipment across the company's card manufacturing, personalization, cheque printing and Smart Tagging & IoT facilities; and General Corporate Purpose

Offer for Sale Selling Shareholder

Name	Category	No. of Shares Offered	Amount (₹ cr.)
Manipal Technologies Ltd.	Promoter	1,43,06,785	485
Total		1,43,06,785	485

Back Ground

The company, incorporated in 2008 and part of The Manipal Group, offers a broad and integrated portfolio across payment, identification, secure, smart-tagging and IoT solutions. Its payment offerings include payment cards, cheque solutions, NFC/QR-based payments, payment-enabled wearables and digital automation, while its identification portfolio covers driving licences, registration certificates, national identity cards and transit management. It also provides secure logistics, insurance-related documents, security-enhanced packaging, tax stamps, RFID-based track-and-trace and anti-counterfeiting solutions, enabling it to serve banks, fintechs, NBFCs and government entities across domestic and international markets.

The company has developed strong innovation and specialized manufacturing capabilities across advanced card products, enabling it to address evolving customer needs and emerging payment trends. It pioneered National Common Mobility Cards in partnership with Airtel Payments Bank and launched India's first rPVC RuPay card in 2024. It is also one of India's leading metal card manufacturers, holds a patent for metal card

Business Overview

Beyond payment cards, the company has significant identification and government-project capabilities, having billed more than 1 billion national identity cards in 12 regional languages. It has pioneered polycarbonate-based driving licence cards and registration certificates and is among the select partners engaged in projects compliant with MORTH guidelines. It has also successfully deployed over 500 instant-issuance kiosks for State Bank of India and supports transport authorities in Maharashtra and Chhattisgarh for driving licence and registration certificate issuance. These capabilities strengthen its position in large-scale identity and government-led digital transformation initiatives, while its experience provides a competitive advantage in securing similar projects. Its established track record also enables the company to participate in complex and large-scale government opportunities.

The company serves a diverse customer base of more than 300 customers, including private and public sector banks, small finance banks, payment banks, co-operative banks, prepaid payment issuers and fintechs, along with government entities. It has exported credit, debit and metal cards to multiple countries across Asia, Europe, the Middle East, Africa and South America. Its customer-focused approach combines customized technology, stringent security measures, regulatory compliance and operational efficiency to address varied requirements across domestic and international markets. Its broad customer base and geographic reach provide opportunities to deepen existing relationships, cross-sell additional solutions and expand into new international markets. The diversity of customers also reduces dependence on any single customer segment and supports business stability.

Technology forms a core part of the company's operations and service delivery, covering card printing, lamination, chip embedding, personalization and secure dispatch. Its technology platforms include MPi TracLogix for integrated logistics management and real-time shipment tracking, MPi IssuNow for branch automation and instant issuance, and MPi Commute Core for transit management. These platforms, supported by secure data processing and API integrations with logistics partners, enable scalable, customized and end-to-end solutions. The company's technology capabilities also support faster turnaround, operational efficiency and greater customization, while enabling it to adapt to evolving customer and industry requirements. Its in-house technology platforms further strengthen its ability to provide integrated solutions rather than standalone products.

The company maintains long-standing certifications and stringent security standards, including certifications from Mastercard, RuPay and other payment networks, along with PCI DSS Level 1 Version 4.0.1, INTERGRAF and Card Quality Management certifications. These credentials validate its capabilities in secure card manufacturing, personalization, IT and cybersecurity, while also creating entry barriers for competitors. Both card manufacturing facilities and personalization bureaus are certified for chip-embedded and DI card production across major payment networks. These certifications reinforce customer trust and enable the company to participate in security-sensitive payment card programs, while demonstrating its continued adherence to international quality and security standards. They also strengthen its eligibility for contracts that require high levels of security, compliance and operational reliability

Source: RHP

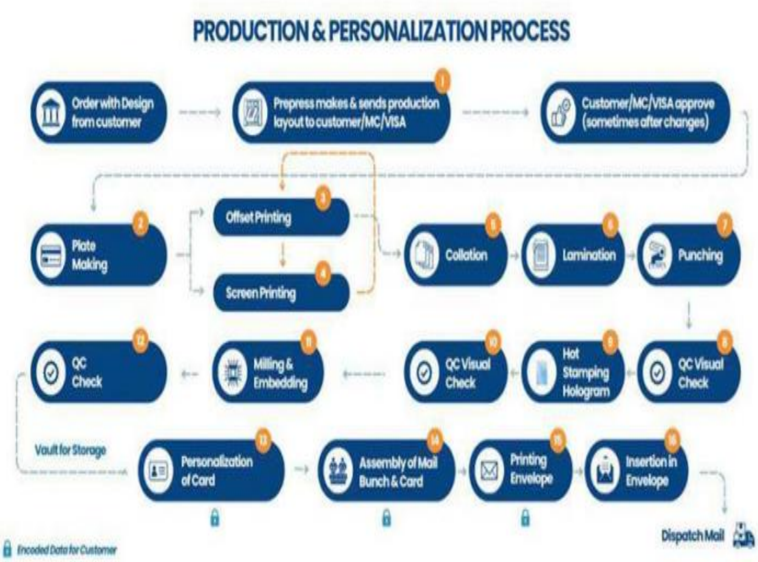
The company has built a strong nationwide operating infrastructure and consistent financial performance, serving customers through 10 facilities across India, including card manufacturing, personalization, cheque printing and smart-tagging/IoT facilities, supported by five central card processing centres for transport projects. Its integrated manufacturing and personalization network helps improve turnaround times and distribution efficiency. The company has also reported consistent revenue growth and profitability, with profit increasing from ₹2,491.65 million in Fiscal 2024 to ₹2,534.62 million in Fiscal 2026. Its nationwide infrastructure provides a strong operational base to support increasing customer demand and future business expansion, while its diversified facilities enable it to deliver multiple solutions efficiently across regions. This infrastructure also helps maintain proximity to customers and optimize logistics and delivery timelines

Service Offering Technology Platform

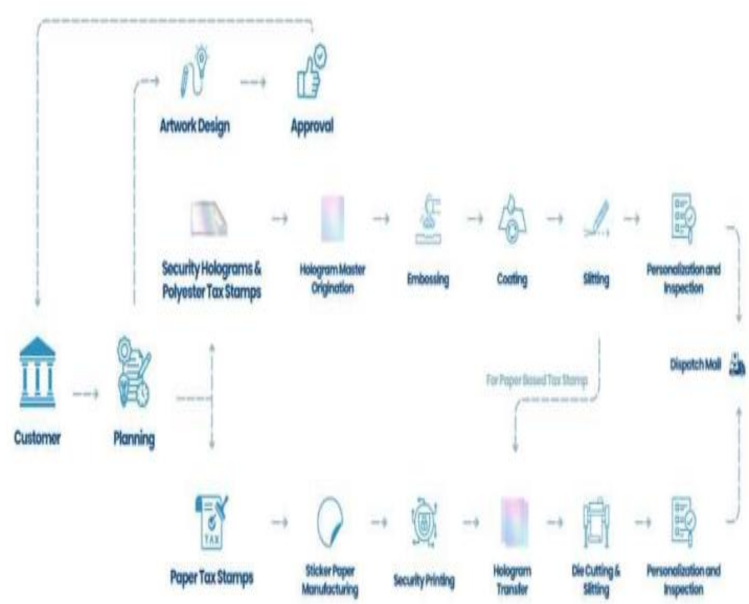
Pan-India Network

Source: RHP

Card Production and Process



Tax Stamp Security Holograms Manufacturing Process flow



Source: RHP

Key Banking Client Base

Key Highlights & Strength

1. Leading Payment Card Manufacturer in India with Global Scale

The company is among the largest payment card manufacturers globally and holds a leadership position in India, ranking **No. 1 in India and No. 14 globally** in payment card shipments in 2023. It also ranks among the **top 10 card manufacturers for Mastercard and another leading global payment network**. In FY26, the company produced **86.20mn chip-based payment cards** against installed capacity of **118.97mn cards** as of March 31, 2026, indicating a meaningful capacity headroom for future growth.

2. Strong Market Position Across Credit and Debit Card Segments

The company has a significant share of India's card issuance ecosystem, accounting for an estimated **36.4% of credit card issuance and 30.9% of debit card issuance in FY26**. It manufactured **13.54mn credit cards and 72.66mn debit cards** during the year. The company is well positioned to benefit from the continued formalisation of payments and increasing card penetration, with India's payment card volumes expected to rise from **335mn in 2025 to 535mn by 2030**, implying a **13.1% CAGR**.

3. Diversified International Footprint Supports Growth

The company has established a growing international presence, exporting **credit, debit and metal cards** across Asia, the Middle East, Africa, Europe and South America. Its network of personalization bureaus across India enables faster turnaround, localized servicing and efficient distribution. This combination of manufacturing capabilities, technology infrastructure and regulatory certifications provides a strong platform to capture rising demand for payment cards and identity solutions globally.

4. Deep and Sticky Relationships with Marquee Customers

The company serves **300+ customers**, including leading private banks, public sector banks, fintechs, small finance banks and co-operative banks. Customer relationships demonstrate strong stickiness, with **211 customers having been served for more than five years**, while the top 10 customers have an average relationship tenure of **over 12 years** as of March 31, 2026. High security standards, data protection, consistent quality and reliable execution are critical differentiators in a business handling sensitive cardholder information, supporting customer retention and creating entry barriers.

5. Recurring Demand Provides Revenue Visibility

Apart from new card issuance, the business benefits from recurring demand arising from **card renewals, replacements and reissuance**, supported by defined card expiry cycles. Its long-standing banking relationships, industry certifications, established delivery infrastructure and customer-specific operating knowledge provide greater revenue visibility and reduce the dependence on one-time card issuance volumes.

6. Strong Credentials in Government Identity Projects

The company has significant experience in executing large-scale government identity programmes, including **national identity cards, driving licences and other smart-card applications**. It was selected for **17 central and state government projects over the preceding three fiscals**, with project tenures ranging from **one to ten years**, and is a designated print service provider for national identity cards in India.

7. Government Track Record Creates Entry Barriers and Optionality

Its execution track record, security credentials and ability to manage large-scale identity programmes strengthen its competitive position in government tenders, where prior experience, technological capabilities and execution track record are important selection criteria. The company can leverage this expertise to pursue **additional domestic government mandates as well as international opportunities across smart IDs, driving licences and e-passports**, providing an additional avenue for long-term growth.

Source: RHP

Key Business Strategies

1. Strengthen Global Market Presence in Payment Cards

Expand international payment card volumes by leveraging the growing demand for **credit, instant-issuance and premium metal cards** across key overseas markets.
Deepen presence in the **USA, UK, UAE, Nigeria and other strategic markets** through subsidiaries, sales consultants, local partnerships and relationships with global fintechs.
Adopt an asset-light expansion model by partnering with local players and providing **base cards, equipment, software and personalization training**, while selectively establishing or acquiring regional personalization bureaus.
Leverage its domestic manufacturing capabilities, particularly in **metal cards**, to increase exports and improve its share of the global payment card market.

2. Scale Up the High-Growth Metal Card Business

Capitalize on the rapidly expanding metal card market, with global demand expected to grow at **15.3% CAGR** to 113mn units by 2030, while India is projected to grow at a significantly higher **47.2% CAGR** to 10.5mn units.
Expand manufacturing capacity beyond the existing **0.16mn cards per quarter** to cater to increasing domestic and international demand. Broaden the product portfolio through new metal card variants, while reducing import dependence and increasing exports. Leverage its manufacturing patent, payment-network certifications and existing customer base to strengthen its position as a leading metal card manufacturer.

3. Consolidate Leadership in the Indian Payment Card Market

Defend and expand its market position by leveraging its estimated **36.4% share of credit card issuance and 30.9% share of debit card issuance in FY26**.

Increase wallet share from existing banking customers through integrated offerings covering **cards, cheque printing and logistics**, enabling customers to reduce vendor count, cost and turnaround time.
Expand the personalization bureau network to improve delivery speed, geographic reach and logistics efficiency.
Diversify into **LED, biometric, wood and premium metal cards**, along with emerging wearable payment formats such as watches, keyrings and silicon bands.

4. Expand Identity Solutions in India and Overseas Markets

Diversify beyond payment cards by pursuing opportunities in **national IDs, driving licences, registration certificates, smart cards and e-passports**. Leverage its experience in secure identity manufacturing, including polycarbonate cards and laser-engraving technology, to participate in additional state and central government projects.
Capitalize on the expected increase in Indian government smart-card issuance from **25.7mn units in 2025 to 40.2mn units by 2030**. Replicate its domestic capabilities in international markets, supported by growing global demand for secure identity verification, smart IDs and e-passports.

5. Build a Scalable Tax Stamp & Security Solutions Business

Expand its tax stamp and excise-label business across **Indian state excise departments and international jurisdictions**.
Leverage its paper and polyester excise-label capabilities to address opportunities beyond liquor, including **tobacco, pharmaceuticals, agricultural seeds and other high-evasion categories**.
Strengthen its competitive positioning through advanced **security features, authentication and track-and-trace solutions**, creating an additional avenue for diversification.

6. Expand Manufacturing & Personalization Capacity

Continue investing in manufacturing and personalization infrastructure to support the structural growth in payment cards and related solutions. Leverage its personalization bureaus across **Noida, Navi Mumbai, Manipal and Chennai**, alongside base-card manufacturing facilities in Manipal, to improve geographic coverage and reduce logistics costs.
Increase capacity in line with demand while maintaining faster turnaround times and proximity to customers, supporting scalability without compromising service levels.

7. Drive Innovation, Technology & Product Diversification

Continuously develop **new card variants, payment technologies and wearable formats** to address evolving customer preferences and payment ecosystems.
Expand cheque and logistics solutions while pursuing additional applet certifications to enhance technological capabilities.
Invest in manufacturing automation, technology infrastructure and security systems to maintain product quality, data security and regulatory compliance.
Use innovation to deepen relationships with existing customers while supporting customer acquisition across new products and geographies.

8. Pursue Strategic Inorganic Growth

Continue to evaluate acquisitions that can strengthen its existing capabilities, expand product offerings and accelerate entry into new markets.

Build on its previous acquisitions in **cheque printing, personalized statements, government identification, secure logistics, smart tagging, IoT, holograms and security printing**.

Focus on acquisitions that can deliver **revenue synergies, operating efficiencies, cross-selling opportunities and geographic expansion**.

While no specific acquisition target or binding agreement has been identified, the company intends to leverage its prior M&A experience to pursue strategically aligned opportunities.

Key Risk Factors

1. High Customer Concentration Increases Revenue Dependency

The company derives a significant portion of its revenue from a concentrated customer base, with the **top 10 customers contributing 62.5% / 61.0% / 58.7% of revenue in FY24 / FY25 / FY26**, respectively.
Its customer base is largely concentrated among **banks, fintech companies and government entities**, resulting in meaningful dependence on a relatively limited number of large accounts.
The loss, non-renewal or downsizing of contracts with key customers, or a reduction in wallet share, could adversely impact revenue growth, capacity utilisation and profitability.
Large customers may also possess greater bargaining power, potentially resulting in **pricing pressure, lower margins or unfavourable commercial terms**. While long-standing customer relationships provide some degree of visibility, the concentration remains a key risk to earnings stability.

2. Supplier Concentration Creates Supply Chain & Cost Risks

The company has a concentrated procurement base, with its **top 10 suppliers accounting for 59.7% / 62.3% / 56.1% of total purchases in FY24 / FY25 / FY26**, respectively.
Critical inputs, including **semiconductor chips, PVC sheets, holograms and MICR paper**, are sourced from a relatively concentrated set of suppliers. Any disruption in availability, delays, quality issues or supplier failure could affect production schedules and customer deliveries.
Concentrated sourcing may also reduce the company's ability to negotiate input prices and could expose margins to **raw-material inflation and adverse pricing movements**.
Related-party suppliers **Techshresta Solutions Pvt. Ltd. and Manipal Technologies Ltd. contributed 9.7% and 3.4% of FY26 purchases**, respectively, creating additional dependence on select counterparties.
Any disruption involving these suppliers could require the company to qualify alternate vendors, potentially resulting in **higher procurement costs and longer lead times**.

Manipal Payment and Identity Solutions

Kantilal Chhaganlal Since 1954

3. Dependence on Payment Card Business Limits Revenue Diversification

The cards segment remains the company's largest revenue contributor, accounting for **59.6% / 58.4% / 57.3% of total revenue in FY24 / FY25 / FY26**, respectively.

Despite ongoing diversification into identity solutions, tax stamps, secure printing and related services, the business remains substantially exposed to the growth trajectory of the payment card industry.
A slowdown in card issuance, changes in customer preferences, increasing adoption of alternative payment technologies or greater competition could adversely affect volumes and capacity utilisation.
Regulatory changes affecting payment cards, interchange economics, card security standards or issuance practices could also influence demand and customer spending. Given the segment's significant contribution to revenue, a sustained slowdown in card volumes could have a **material impact on overall revenue growth, operating leverage and profitability**.

4. Significant Equipment Investment Creates Execution & Utilisation Risk

The company proposes to deploy approximately **₹238 crore of IPO proceeds towards the purchase of new and second-hand equipment**, increasing its manufacturing and processing capabilities.
While the investment is expected to support capacity expansion and future growth, the acquisition of second-hand machinery introduces risks relating to **reliability, maintenance requirements, operating efficiency and residual useful life**. Unexpected breakdowns or prolonged downtime could disrupt production, delay customer deliveries and increase repair and maintenance expenditure.

There is also a risk that newly installed capacity may not be utilised at targeted levels if industry demand, customer orders or export opportunities do not grow as expected. Consequently, lower-than-anticipated utilisation could result in **weaker asset productivity, higher fixed costs per unit and lower-than-expected returns on the planned capital expenditure**.

5. Dependence on Payment Network Certifications Creates Compliance Risk

The company's ability to manufacture and supply payment cards is dependent on maintaining required **certifications, approvals and security standards**, including those associated with major payment networks such as Mastercard and RuPay. Payment networks periodically update technical specifications, security protocols and certification requirements, requiring continuous investments in technology, processes and testing capabilities. Any failure to comply with prescribed standards, or the suspension, expiry or revocation of a certification, could restrict the company's ability to manufacture certain card products or serve specific customers. Such an event could result in **production disruptions, loss of customer relationships, additional compliance costs and reputational damage**.

As payment cards involve sensitive financial and personal information, any security breach or compliance failure could further increase regulatory scrutiny and adversely affect the company's competitive position.

6. Customer & Supplier Concentration Could Amplify Operational Volatility

The combination of high customer and supplier concentration creates a degree of **two-sided dependency** within the operating model. Any disruption on the supply side could affect the company's ability to fulfil orders from large customers, while the loss of a major customer could result in lower utilisation of manufacturing and personalization capacity.
This could amplify volatility in **revenue, production utilisation, working capital requirements and operating margins**, particularly during periods of weak demand or supply-chain disruption.
Sustained diversification of both customers and suppliers will therefore remain important for improving the resilience and predictability of earnings.

Restated Consolidated Statement of Profit and Loss

(₹ in Crs.)

Particulars	FY24	FY25	FY26
Revenue from Operations	1,247.50	1,256.10	1,326.80
COGS	595	460.3	457.6
Gross Profit	652.5	795.8	869.2
Employee Benefit Expense	90.4	104.2	113.9
Other Expenses	227	303.9	329.3
EBITDA	335.1	387.7	426
Other Income	20.5	21	29.8
Depreciation	34.8	55.2	56.3
EBIT	320.8	353.6	399.6
Finance Cost	20.4	109.1	47.9
Profit Before Tax	300.4	244.5	351.7
Exceptional Items	-2.4	110	0
Tax	51.2	72.2	95.8
Profit After Tax	249.1	282.2	253.5
PAT Margin (%)	20.00%	22.50%	19.10%
Basic EPS (₹)	12.1	13.7	11.5

Restated Consolidated Statement of Cash Flow

(₹ in Crs.)

Particulars	FY24	FY25	FY26
Cash Flow from Operating Activities			
PBT	300.40	354.50	349.30
Depreciation	34.80	55.20	56.30
Operating Profit before WC Change	346.70	397.40	432.70
Cash Used in Operations	361.80	357.10	300.80
Tax Paid	(53.20)	(72.80)	(93.10)
Net Cash from Operating Activities	308.60	284.40	207.70
Cash Flow from Investing Activities			
Capex	(11.80)	(66.00)	(81.40)
Net Cash from Investing Activities	(75.90)	(586.10)	243.10
Cash Flow from Financing Activities			
Proceeds/(Repayment) of ST Borrowings	(63.60)	-	0.40
Proceeds of Debentures Issued	450.00	-	-
Repayment of Debentures	(19.50)	(13.40)	(250.00)
Dividend Paid	(4.10)	-	-
Finance Cost	(15.10)	(62.70)	(34.60)
Net Cash from Financing Activities	267.00	(172.80)	(327.50)
Net Increase/(Decrease) in Cash	499.70	(474.50)	123.20
Cash at Beginning of Year	4.90	504.60	30.10
Cash at End of Year	504.60	30.10	155.10

Restated Consolidated Statement of Assets and Liabilities

(₹ in Crs.)

Particulars	FY24	FY25	FY26
Assets			
Fixed Assets	89.3	113.4	179
Capital WIP	3.8	12.1	12.5
Goodwill & Intangible Assets	5.1	2.6	2.9
Right to Use Assets	43.8	99.2	169.9
Trade Receivables	119.2	139.1	197.4
Cash	504.6	30.1	155.1
Other Current Assets	22.9	40.8	72.9
Other Assets	313.9	972.4	371.2
Total Assets	1,102.70	1,409.70	1,160.90
Equity			
Equity Share Capital	41.4	41.4	44.5
Other Equity	48.3	262.9	747.4
Total Equity	89.6	304.3	791.9
Liabilities			
Borrowings & Lease Liabilities	492.4	564.5	152.9
Other Financial Liabilities	389	387.9	18.8
Trade Payables	88.8	91.8	122.8
Other Liabilities	42.9	61.2	74.6
Total Liabilities	1,013.10	1,105.40	369
Total Equity & Liabilities	1,102.70	1,409.70	1,160.90

Peer Comparison

Seshaasai Technologies Limited being the only identified listed peer, trading at **24.97x FY26 diluted EPS as of August 31, 2026**, MPISL is seeking a **17.7–20.5% premium** to the peer on FY26 basic and diluted EPS.

The premium is supported by MPISL's stronger operating profile, including a **625bps higher EBITDA margin, 203bps higher PAT margin and 980bps higher RoCE**, along with **5.63% revenue growth** versus a **1.50% decline** for Seshaasai and a virtually debt-free balance sheet. However, the premium leaves limited room for execution slippages. MPISL's **3.14% two-year revenue CAGR**, despite declining unit volumes, coupled with a **near-halving in asset turnover** and a **25-day deterioration in working-capital cycle**, raises concerns over the sustainability and capital efficiency of growth. Given that Seshaasai's existing **24.97x FY26 P/E already reflects the broader industry growth opportunity**, we believe the proposed premium needs to be justified by a clear acceleration in growth and improvement in operating efficiency.

Company	Revenue (₹ Cr)	EBITDA Margin (%)	PAT (₹ Cr)	PAT Margin (%)	RoNW (%)	NAV (₹)	Diluted EPS (₹)
Manipal Payment and Identity Solutions	1,326.75	33.6	253.46	18.68	22.93	48.84	11.26
Seshaasai Technologies	1,441.14	27.35	240.01	16.65	16.81	88.15	15.45

KC Securities (Kantilal Chhaganlal Securities) Outlook

- **Rating - Subscribe with Long Term Horizon**

- **Valuation:** At the **upper price band of ₹339/share**, MPISL is valued at **30.7x FY26 post-issue P/E**, implying a **17.7–20.5% premium to Seshaasai Technologies**. While the premium is supported by superior margins, market leadership, strong customer relationships and a virtually Debt-free balance sheet
- **Strong Clientele** : Strong franchise across leading banks, fintechs and NBFCs, including SBI, HDFC Bank, ICICI Bank, Axis Bank and Kotak Mahindra Bank, supported by stringent payment-network certifications and high switching costs. Its presence across central and state government projects
- **Market Share :** With **36.4% share of credit-card and 30.9% share of debit-card issuance in FY26**, the Company enjoys a strong competitive position and meaningful entry barriers. Growth is increasingly driven by **premiumization**, with metal cards, exports and higher-value identity solutions offering better realizations. Gross margin expanded from **52.3% in FY24 to 65.5% in FY26**, while EBITDA margin improved to **33.6%**, supported by lower material costs and favorable product mix.
- Balance Sheet : The balance sheet has also strengthened significantly, with borrowings declining from **₹449.5 crore to ₹0.4 crore** over the same period

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